Who's Who in Bank Race (Page 4)

Canada's Gamble in Wheat (Page 9)

LARGEST CIRCULATION
OF ANY CANADIAN
FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

ENLARGED MINING SECTION
A WEEKLY FEATURE
PAGES 14-16

Vol. XXVIII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, DECEMBER 22, 1934 10c a Copy; $5.00 a Year No. 51

The Nation's Business

- British See Crisis Developing in Canadian Public Finance
- Mr. Bennett on Regulation of Business
- B. C. Would Put Tariff on Goods from Other Provinces

The Coming Crisis In Public Finance

IT IS an open secret at Ottawa that British officials and British investment institutions have recently been exploring the Canadian financial position.

Canada's failure to solve the problem of its railway losses, the inability to balance the budget against mounting relief costs and advances to provinces that are unable to finance their own borrowing needs in the open market, have caused as much alarm in Britain as in well-informed circles in Canada.

The imminence of an election in Canada may cause our British creditors to refrain from comment on the Canadian financial position lest they be accused of interfering in Canadian politics. But it has been made clear in private communications to leaders of Canadian business, and possibly to members of the government at Ottawa, that this country must speed up its solution of its major financial problems or find itself entirely divorced from British sources of capital.

There has recently been important comment in Washington and New York on Canada's position and the view is expressed that the country's credit is being strained by public borrowings to meet deficits.

* * *

CANADA'S status as a self-governing nation within the Commonwealth assures us that there will be no dictation of our governmental policies by the British government. But we are still a borrowing country and will remain so for many years, requiring large amounts of outside capital to finance our development. We can get this only by assuring British and foreign investors of our financial solidarity. Thus the influence of our creditors may be strong on governmental policy.

If all political parties in this country continue to play around with railway and other budget problems we may find ourselves in the position of having to choose between external dictation of our governmental policies or complete refusal of lenders outside to advance us further capital to be wasted in deficits.

Electioneering in 1935 is certain to obscure our true financial position which is more apparent to independent overseas observers than to optimistic politicians at home.

* * *

WE MAY be nearer to a solution of the railway problem, nearer to a rationalization of our federal and provincial spending policies than we think. England's financial position was bleakest just before the crisis of September, 1931. But that crisis, with its May report, its abandonment of the gold standard, its recasting of the insurance scheme and its national government, marked the turning point for the better in Britain's course of economic affairs.

Australia's crisis came in 1930 but the premiers' conference in 1931, with some pointed advice from British treasury and investing authorities to guide it, prescribed the three years financial diet that has since improved Australia's position.

We are drifting into a crisis in public finance in Canada. People at home may not see it but the experienced and shrewd observers of Threadneedle Street and Whitehall can see it.

* * *

Laws to Control Business Practices

IS IT feasible for governments to attempt further regulation of business in Canada? The Prime Minister evidently thinks so. In his Montreal address he forecast stricter Parliamentary control of business practices.

There is a wide gulf between regimentation and regulation. N. R. A. failed where it attempted to dictate how business should be run; to make the decisions that business men themselves had to make. It did not stop at simply policing business against persons of predatory instincts; policing it for the protection of the business men in the game and the people influenced by their activities, notably workers and consumers.

Complete anarchy in our economic life is not desirable. There

(Continued on page 2, col. 3)

TASCHEREAU STRIKES OUT AT A. N. P. A.

Says American Publishers' Threats Leave Him "Cold"

PRICE TO THE FORE

Maclaren's Action Develops New Angle — Producers Meeting Premier This Week

From Our Own Correspondent

MONTREAL. — James Maclaren Co., newsprint manufacturers of Buckingham, Que., have made a contract for delivery of newsprint in 1935 at $2.50 a ton more than the old rate, but still under the $42.50 recognized by the Quebec Government as the official and minimum price.

Reports have been circulated that Premier Taschereau intended to take action against the Maclaren company much along the same lines as was done in the case of St. Lawrence Paper Mills, which agreed to supply newsprint to Scripps-Howard and Hearst organizations at less than $42.50 a ton.

The Newsprint Committee of the American Newspaper Publishers Association heard of this and reiterated its stand of last October, namely, that it resented interference from either the Quebec or Ontario governments and if a paper company was prevented from carrying out its contracts, the members of the Association would be advised to look to other sources for their newsprint supply.

Raps A.N.P.A. Knuckles

Premier Taschereau's reply to the A.N.P.A. would seem to indicate that he is not altogether pleased with the newsprint situation and the developments pertaining thereto, for he says:

"If American publishers buy paper from the Quebec newsprint manufacturers, it is because it pays them to do so, and not for sentimental reasons. Threats made to the effect that if contracts with Quebec firms

(Continued on page 2, col. 3)

P. T. LEGARE SALES ARE UP 20 PER CENT

More Quebec Bush Work Helps Company's Business

With current sales to date running about 20 per cent above the corresponding period in 1933 P. T. Legare Co. is expected to make a much better showing for the business year which ends Dec. 31, 1934, The Financial Post is informed. Last year the company had an operating loss of $188,443 and in 1932 there was a loss of $247,919. Previous to that net earnings ran from $214,484 in 1931 to a high of slightly better than $463,000 in 1929.

Winter Business Important

With no figures yet available for November and December, two of the best months for this company which operates a chain of 60 home furnishing stores and 850 agencies largely in Quebec, anything more than a very approximate estimate of earnings for the current year is impossible. It is expected, however, that the company may be able to earn interest on its bonds and debentures and cover depreciation as well.

Added to the operating losses in 1933 were depreciation, $45,000, interest on bonds $59,574 and interest on debentures (not paid) $42,000. This resulted in a net loss of $335,017. Depending largely on the December business it is possible, The Post understands, that earnings may cover these items in the current year.

More Work

Much of the year's improvement is attributed to the increase in winter work in the pulp and lumber areas of Quebec this winter. Not only is there more of this work available than for some years past but, it is reported, there has also been some increase in the rate of wages paid. The woodpiles of the pulp companies, which were very large a few years ago, have been reduced so that new cutting will be required this winter. There has also been a general improvement in buying power in the large area served by the company's stores.

At the end of 1933 accounts and notes receivable on the company's books stood at $2,967,000, which while slightly larger than for the previous year showed a considerable reduction from the high point of approximately $3,318,000 in 1930. It is believed that there will be a considerable reduction in this item in 1934 as collections are definitely improving. It is understood that about half the company's business is on a cash basis.

Inventory Down

Inventory at the end of the 1933 fiscal year was almost $780,000 as compared with $942,671 in 1933. Here again, it is reported, there has been some reduction but this is largely in dollar volume and not in units.

Honey Dew Rights Remain With Company

Arrangement has been made whereby Honey Dew, Ltd., will pay over a period of 11 years for United States rights the amounts awarded by an Ontario court of $39,026 to Jerry McCarthy and $53,231 to Messrs. Fred J. and Don E. Ryan. A payment has already been made and the balance will be paid in 11 small installments. This also relieves the company from its intention of carrying the matter to the Privy Council.

H. L. Walker, general manager, states that under this settlement the company will continue to hold the United States rights bought from Messrs. Ryan and McCarthy in 1928.

COMPETITION FROM QUEBEC ALE AND BEER

Claimed Advertising Ban in Ontario Prevents Achieving Quota

MAKING SOME WAY

Brewing Corp. of Canada officials express continuing confidence that their nine plants in Ontario are strategically placed to permit this company to sustain its profits under the changed law by which sales take place through hotels and clubs as well as through Liquor Control board stores. For ten days now the preferred stock price has remained constant around 20½ and the continued decline of common has been very slow of late. The high for preferred was 32 7/8 and the low 15¼ in 1934 the high for common 11 and the low 3¾, which is the present level. But in the last two weeks the common stock has lost only ⅛ point.

Earnings shown by the company's quarterly report for the period ended November 30, 1934, were lower than was expected at first by market enthusiasts, though very much higher than under the old system. The company, like other breweries in Ontario, has been handicapped by its inability to advertise its brands. Montreal breweries have gained an advantage out of this situation. National Breweries is understood to have greatly increased its business in Ontario. While Brewing Corp. has been selling also in Quebec that does not entirely make up. It is reported that recently Ontario companies are making way against the Montreal competition but the advertising ban still tends to throw much business east.

Telephone Sales Grow

The right to call up breweries and warehouses and order by telephone is being taken advantage of to a growing extent. Even there, however, the inability to familiarize the public with brands is claimed by executives to be a hampering factor. The public does not even know that Ontario stocks are adequate to total consumption.

There has been some cutting of prices to retail outlets. This has not

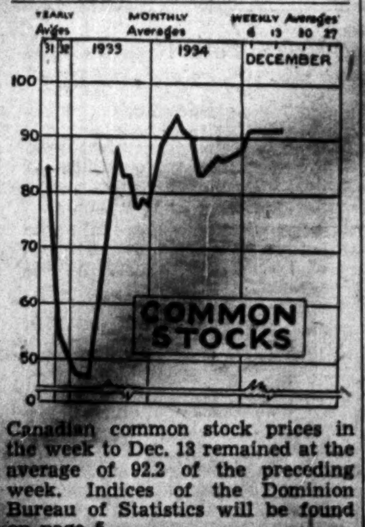
(Continued on page 2, col. 1)

Building Total Remains Small Despite Gains

Although building permits in November gained 60 per cent over the same month of 1933, the total of $2,600,000 for the month remains unimpressive. The decline from October, however, was considerably less than seasonal.

		— Change — From Prev. Period	— Change — From Prev. Year
Monthly:	Nov. '34	%	%
Insce. sales .... $	35,863,000	+15.0	—1.0
Bldg. permits ... $	2,601,418	—4.4	+60.2
Sugar mfd. ... lbs.	105,306,254	+3.2	—24.0
Iron output .. tons	38,968	—14.2	+33.4
Steel output .. tons	57,050	—1.7	+32.6
Imports .... $	49,884,000	+5.9	+14.1
Exports .... $	65,125,000	—4.0	+7.8
W'sale prices . index	71.2	—0.3	+3.3
Retail prices . index	79.4	+0.1	+2.1
Weekly:*			
Car loadings . No.	43,418	—5.6	+9.2
Cattle sales ... No.	13,988	—3.2	+27.6
Hog sales .... No.	24,976	+21.0	+31.0

*Weeks ended Dec. 8, 13 and 13, respectively.



Canadian common stock prices in the week to Dec. 13 remained at the average of 92.2 of the preceding week. Indices of the Dominion Bureau of Statistics will be found on page 5.

FORD PRICES BIG QUESTION IN AUTO WORLD

Materials, Costs Higher But Makers Fight Increases

HUDSON PRICES DOWN

High, Narrow Radiators, More Streamlining is 1935 Trend — Wider Bodies General

By Staff Editor

WINDSOR.—What will be the base price for Ford's 1935 line? That's what everyone here would like to know.

Despite all the stress that is being laid this year—as in years past—on new engine developments, new body lines, reinforced frames, better seating capacity, etc., it would appear that the price question will again rank as high as it has always done in automotive history.

With about 95 per cent of the Canadian market in the "less than $1,250" class and nearly 80 per cent of cars sold last year priced below $1,000, the battle to gain even a slight price advantage in this mass market is as keen as ever.

One Reduction Announced

Ford's 1935 prices now appear certain to be lower for some models at least, as indicated by a recent statement by Henry Ford. Meanwhile, Hudson has announced its Canadian prices for 1935, showing reductions in almost all lines, with the Terraplane coach selling complete at the factory at $875. Plymouth and Chevrolet prices have not yet been set, although the former car is being produced in volume. There seems a disposition to wait and see just what prices are quoted for Ford when these cars are released on December 29.

Ford is Bigger

Although the sparring for advantage in product among the three leading competitors for the mass market is now past history, it is said that Ford's decision to bring out a larger and altogether more

(Continued on page 2, col. 6)

PETE STRIKES PEAK IN OUTPUT PERU, COLOMBIA

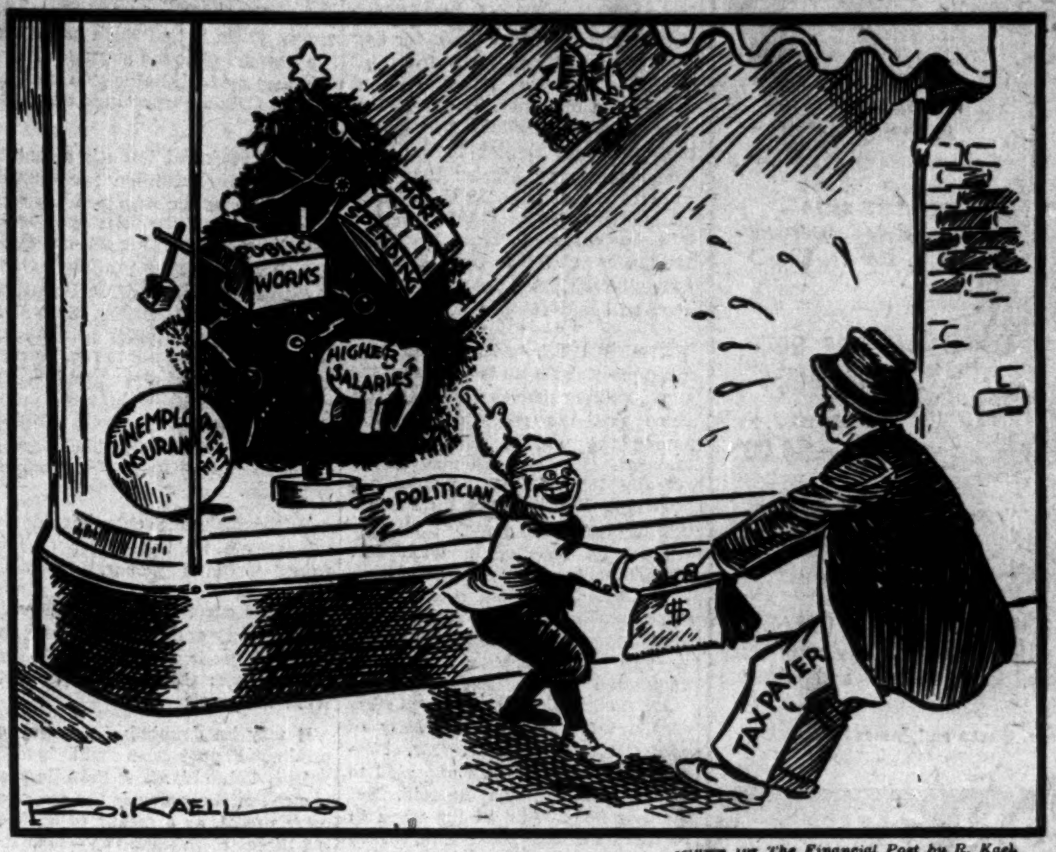
Huge Dividend Disbursements Accompany Sales Expansion

Though International Petroleum Co. does not publish a financial statement, shareholders and the public at large have been greatly impressed by the huge payment of $32,658,920 in dividends in 1934. The rate of $1 a share with which the company entered the depression has been doubled this year, and though $1 a share of this was paid under the heading of bonus, expectations for both regular and bonus dividends in 1935 and succeeding years have been raised by an outstanding improvement in prices and output.

The company in 1934 has reached its peak in production in Peru, and in Colombia output is near the top. The company's total output (probably 30,000,000 barrels for 1934) will establish a record. The strong mid-continent prices have set the prices for International Pete output and it has not felt the tremors caused United States companies by "hot oil" and difficulty of regulation. So long as the prices have remained they have been the standard for much of the rest of the world. The stronger situation in the United States at the moment, the rise of 6 cents a gallon for gasoline by which Standard Oil of New Jersey ended the recent price war, and the reported agreement of independents not to sell their unbranded gasolines more than one cent a gallon under branded gasolines of major oil companies, contribute to the hope that International Pete will benefit from the stronger world situation resulting from more stability in the United States oil industry.

European sales of International Pete are increasing. To all appearances it has a good market for all it is producing and possibly for all it can produce. In both Peru and Colombia it is increasing its exploratory effort. The possibilities of future enlargement of operations are being carefully and thoroughly investigated. Drilling activities will be based on market expectations as well as on the need of opening up new sources as old wells give up more and more of their treasures.

One of the strongest sources of confidence in International Petroleum is the way in which it has survived successive revolutions and quickly changing governments in Peru. Apparently the surrounding chaos did not affect or interfere with the conduct of the company's affairs. Even war and all its attendant disasters between Peru and Colombia did not affect the company, though it made it necessary for it to observe strict neutrality.



IT'S PAPA WHO PAYS.

Drawn for The Financial Post by R. Kaell

Liberals Promise Big Tariff Cuts

State Policy on Major Issues at Annual Federation Meeting — Trade Policy Seems Chief Plank

Promise of wide reduction in tariffs seems likely to be the chief plank in the Liberal platform for the coming Dominion elections. Immediate return to the 1930 Dunning level with the United Kingdom was promised at the recent annual meeting of the National Liberal Federation. British preferred position will be retained, however. Gradual return to this level by trade agreements with other countries was also promised.

Brief of Policy

Briefly, the Liberal party's policy on the leading contentious questions of the day was stated to be as follows:

Trade and Tariff—As above.

Railways—Against unification or political interference.

Unemployment Relief — Limited relief to provinces to be given under a National Unemployment Commission composed of leading business men, sociologists and government representatives.

Bank of Canada—Amend act to make institution branch of state.

Finance — Must balance budget. Hope customs receipts will help greatly.

Wheat—Sell Canada's surplus at the price it will bring. No bonus to farmers.

Marketing Act—Repeal act but assist voluntary co-operation of growers.

Price Spreads—Will not seek to invade provincial rights in control of industry. Work for workable act on weights and measures. Position not quite clear.

From Our Own Correspondent

OTTAWA.—With more than 70 candidates in the field, a general election certain within 6 months, the National Liberal Federation held its annual meeting at Ottawa last week. Delegates comprised leading Liberals from all of the provinces and the chief order of business was a detailed discussion of party policy.

As a result of this meeting the main outline of the platform upon which Liberals will stand next year is clear. While meetings of the Federation were held in camera, discussions with leaders from all sections of the country leave little doubt as to the nature of the appeal to the country when Parliament is dissolved.

Main Policies

Liberal policy may be stated under the following headings: Trade and tariff, railways, unemployment relief, Bank of Canada, finance, wheat stabilization, Marketing act, price spreads. Although the list is by no means exhaustive, these are the main headings.

Unquestionably trade and tariff will be made the leading issue of the campaign and under this head will come the Ottawa Treaties.

Liberalism will stand for a return to the Dunning tariff of 1930; the repeal of the very large tariff increases enacted by the Bennett government (as unemployment relief measures) in 1930 1931 and, under the Ottawa Treaties, in 1932. Tariff reductions will be of two kinds—horizontal and by agreement with foreign countries.

Return to Dunning

So far as the British Preferential tariff is concerned, it will almost certainly be put back to the 1930 level at once, without any attempt to bargain with the British government. Chief efforts will be the early removal of the heavy increases in tariff against British textiles.

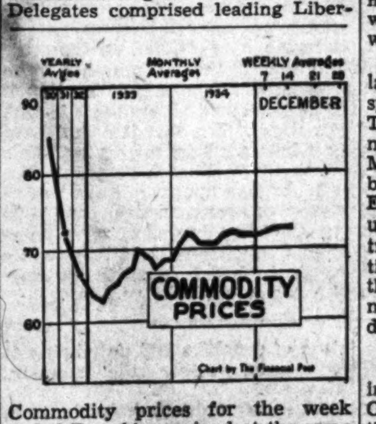
As for the Intermediate and General tariffs, the Liberals will seek reductions to the 1930 level, or lower, by bargaining with foreign governments. These bargains, of course, would include a reciprocity treaty with the United States.

There will be a slight change in the language used by Liberals with respect to the Ottawa Agreements. These agreements will not be "denounced," they will be "modified." Modifications will be necessary because the present tariff against the Empire will virtually be cut in half, upsetting nearly all of the present treaty rates. As this will be distinctly advantageous to Britain and the Dominions, Liberal leaders do not expect any complaints from London or elsewhere.

Maintain Preferences

Nothing, however, will be done to imperil the preferences now held by Canada in the British market under the Anglo-Canadian treaty. Indeed, with a policy of tariff reductions designated to facilitate British ex-

(Continued on page 2, col. 5)



Commodity prices for the week ended Dec. 14 remained at the same level as in the previous week, the Dominion Bureau of Statistics index being 71.4.

See Little Hope of Success For Railway Spending Plan

From Our Own Correspondent

OTTAWA. — Seeking to make profitable capital improvements and to give needed stimulation to the heavy industries, the railway companies have made a proposal to the government under which $26,000,000 may be spent on new rolling stock and general equipment renewals in 1935.

The proposal is being warmly supported by a minority of the cabinet but, to date, appears unlikely to gain approval.

Rumors concerning the proposal, current in the daily papers in the past 10 days, are understood to be inaccurate. These reports indicated a request for a $30,000,000 guarantee from the government.

Actually it is learned, the railways are proposing expenditures of $26,000,000 of which about $20,000,000 would be by the C.P.R. and the balance by the Canadian National. The government has not been asked for a guarantee but for a cash contribution equal to and not exceeding the Dominion grants paid to provincial and municipal works, namely 25 per cent.

Broadly speaking, the cabinet is believed to favor the proposal but it is felt that the political disadvantages are insuperable. For the Dominion to contribute 25 per cent to the C.P.R. it is believed would give rise to political repercussions of a most unfortunate character.

For this reason the proposal almost certainly will be rejected.

Highlights of the week

Bank Marathon

Brief individual descriptions tell who's who among 69 candidates for seven directors' chairs of Bank of Canada. Page 4

Wheat Gamble

John I. McFarland, Government wheat czar, is confident of his ability to liquidate Canada's huge wheat surplus. An exhaustive story on a big national problem. Page 9

C.N.R. Deficits

Failure to understand the real cost of the C.N.R. to Canadian taxpayers is a barrier to solution of the rail crisis. Where the press fails. Page 9

60-cycle Current

Flicker in Ontario's 25-cycle electrical system could only be eliminated at a huge cost. So Ontario is still going 25-cycle while elsewhere 60-cycle current is preferred. Page 3

Farm Income

Farm income is estimated 16 per cent higher for 1934 than for 1933, due chiefly to greater values of field crops. Page 7

Secession Scheme

Western Australia proposes secession from the Commonwealth. Where the scheme stands and what it means. Page 6

Gold Debutantes

Over 20 gold mines will be celebrating this Christmas as their first in production. Possibilities of each of them as the year closes. Page 15

Investors' Index

Bank of Canada candidates 4
Casey Summit check up 16
Can. Industrial Alcohol future . 10
Tip Top profits higher 12
P. T. Legaré sales up 1
Photo Engravers improvement . 12
Traymore to cut units 12
Sudbury Contact new unit 16
Bosquet's assay results 15
McKenzie Red Lake mill 15
Int. Nickel sales up 16

INDUSTRIALS, UTILITIES, ETC.

Abitibi 13
Biltmore Hat . . 13
Brant. Cordage . 13
Beauharnois . . 13
Bruck Silk . 8, 11
Bk. of Canada 4, 13
Brew. & Dist. . 5
Brewing Corp. . 1
H. Walker . . . 9
Borden's 5
B. C. Power . . . 8
Cons. Oka Sand . 13
Can. Canners . . 13
Clarendon 13
C. G. E. 13
Crosse & B. . . 2
C. I. Alcohol . . 10
Distillers Corp. . 9
Deer Pk. Manor 7
Ford 1, 5, 7
Fanny Farmer . . 8
Greening Wire . 12
Holt, Renfrew . 4
Honey Dew . . . 1
Imp. Tobacco . . 5
Intl. Hydro . . . 13
Intl. Utilities . . 13
Jamaica P. S. . . 8
Montreal Power . 8
Maclaren Que. 1, 13
Nfld. L. & P. . . 8
Ont. Hydro . . . 12
P. T. Legaré . . 1
Intl. Pete. 1
Photo Engravers 12
Silverwood's . . . 5
Stand. Chem. . . 3
Shawinigan . . 8
So. Can. Pr. . . 8
Traymore 12
Tip Top 12
W'peg Electric 5, 12
Waterloo Mfg. . . 13

MINES AND OILS

Algoma Summit 15
Alexandria . . . 14
Bob Tough . . . 14
Bousquet 14
Bankfield 14
Bob Tough . . . 16
Cent. Pat. 14
Cent. Pat. 15
Casey Summit 15, 16
Clark Gold . . . 14
Delta Mines . . . 16
Grachin Gold . . 14
Granada 14
Granby 14
God's Lake . . . 16
Glick 16
Greene Stabell . 15
Grange 14
Howe Sound . . . 16
Intl. Nickel . . . 16
Island Lake . . . 15
Jellicoe 14
J. M. Cons. . . . 15
Kirk. L. Gold . . 14
Koot. Belle 15, 16
Lebel Oro 15
L. L. Lac . . 14, 15
McCrea 16
Medicine Rock . 16
Marbuan 15
Mat. Cons. . . . 15
McMillan 15
McK. Red Lake . 14
McWatters . . . 15
North Shore . . . 15
N. S. Gold . . . 15
Parkhill 16
Paymaster . . 14, 15
Perron 15
Ranger Gold . . . 16
Reliance Gold . . 14
Reno 14
St. Anthony . . . 15
Sullivan 15
So. Tiblemont . . 16
Sudbury Contact 16
Two Brothers . . 16
Texas Can. . . . 14
Thom.-Cadillac. . 14
Vanson Man. . . 14
Wekach Lake . . 16
Wayside 16
Vickers 14
Y.-Davidson . . . 15
Ymir Cons. . . . 14
Ymir Yankee . . 15

QUOTATIONS

Bonds 12
Grains 10
Stocks 12
Mines 15
Foreign Exchange . . . 9

REGULAR DEPARTMENTS

Utilities 8
Editorial 6
Business 7
Enquiries 13
Banking 4
Insurance 11
Grain 10
Mining and Oils 14-16

CASH ISSUES UP $47,500,000 IN 6 MONTHS

Credit Boom May Follow Ottawa Expansion of Currency

DOLLAR MAY DROP

Dominion Acting Part of Central Bank Pending Opening of the Bank Canada

The Dominion Government is nearing the end of its current policy of note-issue expansion. Only a few millions of notes remain to be issued to bear out in full the prediction of Rt. Hon. R. B. Bennett that the issue would be expanded about $53,000,000 this year. But the full results of the expansion have yet to be seen in the opinion of experts.

The total Dominion note issue at Nov. 30 stood at $218,739,806, compared with $210,483,160 at Oct. 31, $172,657,593 at June 30 and $171,110,949 at May 31, an increase over the six months to Nov. 30 of $47,528,857.

Bonds Zoom Upward

One effect of the policy is believed to be the sharp rising trend of gilt-edged bond prices, attributed to this expansion of bank cash. The Royal Bank of Canada states as much in its current monthly letter. The intention of the Dominion Government to bring about this firmness of gilt-edged bonds was pointed out months ago by The Financial Post.

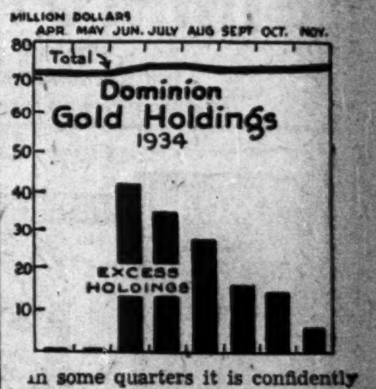
The Dominion's policy of currency expansion means that part of the current year's deficit is being financed by issue of paper money. The effect on the banking system, as anti-inflationists have pointed out, has been to swell credit to much more than the extent of the extra cash outstanding.

The total increase in note issues since the authority to expand the currency was given by Parliament late in June, amounts to slightly more than $47,500,000. Gold holdings at Nov. 30, 1934, were only $5,599,309 in excess of the relaxed statutory requirements, and additional notes to this amount may still be issued.

Change in Statute

The Dominion Notes Act was relaxed by amendment late in June to allow issue of currency up to $120,000,000 with 25 per cent gold cover and thereafter dollar for dollar cover. The effect of this was to permit an increase of some $53 millions in the note issue without adding to gold reserves and without raising the statutory value of the Dominion's holdings above the old figure of $20.67 an ounce. Consequently the Dominion's nominal excess gold holdings were greatly expanded.

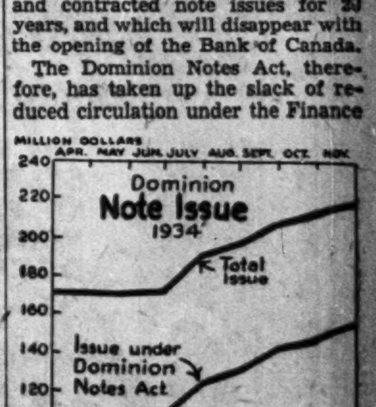
The consequence of the expansion of the note issue, of course, has been to diminish the excess gold holdings, which are shown in the accompanying chart.



In some quarters it is confidently believed that the full effects of the expansion of bank cash due to this monetary liberalism of the Government has only been felt to a minor extent. The Royal Bank states that the expansion can be expected to overflow into other than governmental securities. Another effect, of which little mention has been made, is a possible depreciation of the Canadian dollar on foreign exchange markets. If the fall of interest rates in Canada were to discourage outside investment here, it is felt in financial circles that our currency might soon suffer a decline.

Advances to banks under the Finance Act have actually been shrinking since May 31. They stood at $36,944,000 at Nov. 30, exactly $2,000,000 lower than the figure at May 31. This act is the device by which the banks themselves have expanded and contracted note issues for 20 years, and which will disappear with the opening of the Bank of Canada.

The Dominion Notes Act, therefore, has taken up the slack of reduced circulation under the Finance Act as well as bringing about increases. The sharp rise in issues under the notes act is charted herewith.



EATON'S Has Smart SKIING EQUIPMENT

If you have a skiing enthusiast on your Christmas list, any of these will make welcome gifts.

GRESVIG SKIS— Hickory, imported from Norway pair . . . $16.50

CHALET SKIS— made of selected maple pair . . . $7.50

CHALET SKIS— made of tough hickory pair . . . $9.50

TOP SET HARNESS
GRESVIG . . . set $4.00
CHALET . . . . set $2.50

EATON'S SPORTING GOODS DEPARTMENT also offers the latest styles in ski jackets, slacks, caps, boots and other accessories.

Main Floor, Queen and James Streets

THE T. EATON Co LIMITED

COMPETITION FROM QUEBEC ALE AND BEER

(Continued from page 1)

affected retail prices but breweries, desiring volume, have had to absorb freight rates when desiring to sell against a brewery more favorably situated to serve a certain market. It has also caused more demand for keg beer.

Disappointment that Brewing Corp. did not immediately succeed in its object of securing control of Canada Bud has also caused a falling away from the common stock.

Exercise of warrants given debenture holders in England a year ago for purchase of preferred shares, The Financial Post is informed, has not been followed by sale of preferred shares. The debenture holders in England almost invariably have kept the stock thus bought.

Canada Bud Dividend

Canada Bud Breweries has declared a dividend of 15 cents a share payable January 15 to shareholders of record December 31.

Designing & Dressmaking
Wraps
Gowns
Lingerie
Novelties
THE NEEDLECRAFT NOOK
71 HAYTER ST., TORONTO

Christmas Gifts

AZALEAS Beautiful plants, attractively decorated, from $3.00
CYCLAMEN Beautiful plants, attractively decorated, from $1.50
ROSES Guaranteed fresh and finest quality, specially priced from $2.00 dozen

We will deliver — just telephone
ELgin 9286 - 9287 - 9288
Uptown Branch MOhawk 3000

SIMMONS and SON LIMITED
350 YONGE STREET AT ELM
UPTOWN BRANCH—2518 YONGE STREET
Christmas Flowers may be telegraphed anywhere.

Give her "the Better Kind" of Candy for Christmas

MORE PIECES PER POUND!

THE FINEST SELECTION OF FANCY WRAPPED BOXES IN THE CITY

Hunt's "THE BETTER KIND"

The Nation's Business

(Continued from page 1)

must be organization and some measure of control by or for the State.

* * *

THE rôle of government which brings in the regulation of business is the rôle of protector. Government may properly attempt to police business as it attempts to police streets and communities.

It will never succeed in enforcing all its laws any more than the town constable can enforce all the traffic laws. A member of the British Parliament remarked the other day that he could not walk from his residence to the House without breaking a few laws. Laws governing business practices will be in some measure similar to the laws that Englishman breaks: laws that are on the statute books to establish standards of conduct, that can and will be enforced when they are flagrantly violated but that can never be enforced without public good-will and co-operation.

* * *

IN BUSINESS, governments may properly draw up the rules of the game, making sure that they are the rules that the more gentlemanly among the players wish to have imposed. Governments may act as referees to see that the rules are observed. But it is not their function to play in the game.

There is nothing in what Mr. Bennett said in Montreal; nothing in what Mr. Taschereau said on the same occasion; nothing in what Mr. Herridge said in Ottawa, that went beyond this conception of business regulation by legislative authority.

Mr. Bennett spoke of the parting of the ways and the necessity of controlling civilization. Mr. Herridge indicated that he expected to be censured for what he said. But there is no parting of the ways in regulation of business and no reason for censure in reporting the discovery that all business men are not honest or efficient.

If governments do not attempt too much; if they realize that they can do little more than guide the self-government of business and strengthen the hands of those business men who have always striven for sound and ethical practices, they can help to strengthen Capitalism within the limits of freedom and Democracy.

B. C. Adopts Policy of Protection

NEWS reports from Ottawa and Vancouver reveal a marked tendency on the part of the government of British Columbia to use the provincial marketing act as a means of reducing inter-provincial trade. The Pattullo government, apparently, is determined to curb imports of primary products, canned goods and manufactures from the prairies and the central provinces. The reason given is that these goods are the product of low standards of living; that the high living standards of British Columbia preclude competition.

Inter-provincial trade is a matter of exclusive Dominion jurisdiction and, while public men and lawyers have been fertile in devising expedients for circumventing the constitution, it would be most unfortunate if a deliberate policy of sectionalism were to succeed. British Columbia in furthering this policy proposes to use the marketing act to "fix" prices of the products of other provinces at a level which will permit home made goods to compete. Price fixing, presumably, will be followed by a vigorous "Buy British Columbia" campaign.

British Columbia complains of the sale within its boundaries of low priced canned goods, tobaccos, dresses, coats, shirts, rubber goods, cloth and other textiles, beef, lamb, eggs, poultry and butter. The manufactured goods come from Quebec and Ontario: the primary products from the prairies.

It may be doubted if a policy of provincial protection will benefit British Columbia. The Pattullo government might consider the effect of price contol, as a means of excluding these goods, upon the sale of the products of British Columbia in the other provinces. The seasonal and other tariffs which enable B. C. fruit and vegetables to be marketed in the prairie provinces are not going to be made more popular if farmer consumers must forego sales of their natural products on the coast.

There is no place for tariffs, direct or indirect, inside of confederation.

Crosse & Blackwell (Eng.) May Not Re-enter Canada

Is Starting on Large Expenditures in Regrouping of British Factories — Attitude Not Yet Declared Officially Toward Canadian Difficulties

Interest in financial circles is still keen in the circumstances surrounding the surprising end of Crosse & Blackwell's venture in Canada. An offer for the inventories on a bankruptcy basis is understood to have been turned down and liquidation of the products is stated to be proceeding at a profit. J. T. Menzies, president of the United States firm, has sent a report on the Toronto situation to the head office of Crosse & Blackwell, English company, in London, England, and its attitude to the business now being adjusted will probably be based partly on that report and partly on its present situation in England. Allan Ross still stands as the greatest hope of the smaller unsecured creditors because of his promise to do something to be disclosed later.

Optimism is not high that Crosse & Blackwell will care to take over the venture in Canada either in Toronto or on a reorganized basis elsewhere. It is stated in Toronto that the English company has had an exceptionally profitable year in England and that it will probably regard itself as having broken loose from the Canadian company in 1932 when control was sold to Allan Ross and associates. The stock held by the English company was regarded by it as having been received as part payment for the Canadian company. It will probably prove worthless. Mr. Ross confirms that he bought the Canadian company from the English company by giving it $60,000 in cash, a mortgage of $90,000 on the Canadian plant, all of the Class A preference stock of $40,000, 15 per cent of two common stocks and that he also agreed to provide $100,000 working capital by July 1, 1935. He himself was to receive all the B preference stock and 85 per cent of the common stock.

Mr. Ross stated at the creditors meeting that he accepted this plan after conversations with the English company's accountant, L. J. Matthews. He had been induced in 1928 to buy $250,000 preference stock in the United States Company at $52 a share on a guarantee of dividends from the British company. When the English company pleaded financial distress early in 1932 and refused to make good this guarantee he had threatened suit. He had been offered settlement on the plan mentioned above or to take a new stock in the reorganized Baltimore and Toronto company without guarantee as to dividends. He chose to throw in his fortunes with the Canadian company, sales had trebled since that time to $1,100,000 but the price situation caused losses of $325,000 to the company from the summer of 1932 to the end of November, 1934, excluding losses on assets. This loss included loss which is attributed to the excess paid in Toronto for high rents to Harbor Commission, high taxes and high wages which competitors avoided.

Because he regards his name as having induced many small concerns to extend credit to the Canadian concern Mr. Ross promises some special consideration later on when final disposition of the company is determined. It is understood that he does not propose to be connected with any new company that may carry on the business elsewhere though confident that success could have been obtained if it had been situated elsewhere.

British Company Reconstructing

The arrangement in the summer of 1932 had to take into account an item appearing in the balance sheet which showed the Canadian company to owe the United States company $1,241,854. In a former article this was shown by error to have been owed the Canadian company.

In response to suggestions that the English company owes something to creditors because of continued use of its name it is claimed on their behalf that if the business had been liquidated in the middle of 1932 it could have paid all creditors in full. Mr. Ross retorts that it would have been better for him to give the whole works to the English company as a gift. He had bought into the United States company, which controlled the Canadian company, on a guaranteed dividend basis. In other words, he had invested in the English company's ability to pay.

TASCHEREAU STRIKES OUT AT A. N. P. A.

(Continued from page 1)

are not maintained, they will buy paper elsewhere, leaves me absolutely cold and indifferent. Coming from people where contracts are controlled by the government in every conceivable way, the reproach levelled at us that the government of Quebec interferes with the sanctity of contracts seems ludicrous.

"Once again, I must say that my government is not interested in and does not mean to interfere between Quebec newsprint manufacturers and their customers, otherwise than to protect the rights and privileges of the people.

"Pay Reasonable Dividends"

"The government has only one way of protecting the interests of the people of Quebec against the destruction of natural resources, for the sole benefit of a group of industrialists and the American publishers, this is to withdraw from them favors and privileges granted so as to induce them to pay reasonable wages to their employees and to pay reasonable dividends to those who have invested their savings in the industry. These privileges consist of reductions in stumpage dues, remissions of penalties and permission to cut wood below the standard diameter.

"It is our right to maintain or to withdraw them, without interfering with contracts between the companies and their customers. This right we will use without hesitation in every case where it is shown that a company is cutting and selling the wood of our forests below cost price, because we have no use for that sort of business."

The Premier went on to say in his statement that the Maclaren case had been settled to the satisfaction of the government.

Add Fuel to Fire

The highlights of Premier Taschereau's remarks are his broad intimation to the American publishers that as long as they have to have Quebec newsprint, then they will have to pay the price and keep quiet; secondly, that the price should be sufficient to permit the companies to pay dividends.

It is far from likely that the A.N.P.A. will "shut up," as the Quebec Premier's latest pronouncement is likely to antagonize them more than ever. It is the opinion of a number of interested parties that the American publishers, as a body, are willing to pay a nominal increase for their newsprint, recognizing that costs have advanced. They are not willing, however, to have government interference in the setting of prices.

Further many American publishers are not averse to seeing a price which will return a normal return on capital investment, but in the case of the Canadian industry they allege water-stock, over-capitalization, etc., and are determined not to be forced to pay such prices for their newsprint as will permit a return on capital not represented by an actual investment in the production of paper. It is this fear that the price may "run away," which has contributed most to the opposition to the present move of the manufacturers, with the co-operation of Premier Taschereau, to raise prices.

Question "Minimum" Price

The case of the James Maclaren Company is understood by The Financial Post to have opened up the matter of price and that the manufacturers will meet with Premier Taschereau this week to discuss the situation.

The official price of newsprint in 1934 was $40 a ton delivered in New York or Chicago, with a differential for deliveries to other points. An advance of $2.50 a ton was taken to mean that sales next year would be at $42.50 a ton.

Difference of View

But Premier Taschereau is said not to have understood, or had not been told, that a number of manufacturers had or were accepting contracts for 1935 at less than $42.50 a ton. True they had announced a price increase of $2.50 a ton, but the previous rate, plus the increase, did not bring the selling price of paper up to the price which the Premier thought was the basic rate for 1935.

Developments in the past few days have disclosed this fundamental weakness in the price situation. The James MacLaren Co. made a contract calling for deliveries of paper in 1935 at $2.50 a ton more than the old rate, but still under $42.50 a ton. Thus the Premier became fully aware that an increase of $2.50 a ton did not mean a minimum of $42.50 a ton for the first half of next year, but simply an increase of $2.50 a ton.

No Minimum Price Set

Examination of the published official material does not show that the manufacturers announced a minimum price of $42.50 a ton for the first half of 1935. Rather they said the price would be increased $2.50 a ton. The official notice sent out by International Paper has no reference to minimum price, but states "This will make your net cost from January 1 to June 30, inclusive, $2.50 a ton more than it is today."

LIBERALS PROMISE BIG TARIFF CUTS

(Continued from page 1)

ports to Canada, it is believed no difficulties will arise.

Railway Policy

The railway problem was discussed in detail, with Hon. W. D. Euler in attendance, and the delegates declared against amalgamation and, also, against any political interference with the Canadian National. It was made plain that in his recent speech, Mr. Euler was in no sense talking for the party. In fact, the party declined to support his views. If events conspired to force this issue, the Euler plan would certainly appeal to the party more than unification under private management. But delegates expressed confidence that under a foreign trade policy the railway problem, as in the late 'twenties would tend to solve itself.

Unemployment relief was, in reality, regarded as a sub-heading to trade and tariff. It was recognized that Dominion assistance to the provinces would be necessary for some time to come but this assistance will be given under a National Unemployment Commission composed of leading business men, sociologists and representatives of governments. It is hoped to bring the provinces into such a commission and thus lift the entire relief administration out of politics.

The Bank of Canada Act will be amended to abolish private ownership and make the institution a branch of the state.

Must Balance Budget

The party is convinced that the national budget must be balanced at the earliest possible moment and the long succession of deficits ended. Whether the party intends to seek immediate balance of the government's ordinary expenditures or of the complete picture, with the National railways included, is not clear. The party believes that the Bennett tariff has throttled what should be the chief source of revenue — the tariff — and that relaxation of the tariff will restore customs revenues to normal proportions. It is believed that despite the price decline, a reasonable tariff which would enable foreign trade to be carried on would not only greatly facilitate Canadian exports but add not less than $40,000,000 to revenues within one year.

The marketing acts are regarded as indefensible and will be repealed. The party will stand for voluntary co-operation of producers, as opposed to state compulsion, and will be prepared to give assistance to groups of producers desiring to help themselves. The history of the Saskatchewan Co-operative Elevator Company, it is understood, was held to indicate what governments might usefully do.

No Bonus to Farmers

As for the wheat stabilization policy, the Liberal party will not assist in furnishing wheat producers a bonus price at the expense of foreign sales. The present policy of pegging Canadian prices some 20 cents above those of competing countries in world markets will be reversed. The general belief was that Canada must sell her wheat or forfeit foreign markets and, to do so, must sell competitively.

On price spreads the discussion was not as clear. It is evident the Liberal party will not seek to invade provincial jurisdiction with respect to control of industry, wages, hours of labor and the like. There will be no government fair trade councils with arbitrary power to control price spreads. On weights and measures the party will stand for a workable law which will enable provincial authorities and municipalities to keep check on retailers. Present weakness in the Criminal Code and the Weights and Measures Act will be removed.

Trade Chief Plank

It is abundantly clear that trade and tariff are to be the chief issues and on both it is of vital interest to note the unanimity of the delegates. In the past the Liberal low tariff policy has been vitiated in part at least by influential members from Ontario and Quebec. This protectionist element, however, is reported to have vanished, although the very persons most frequently held to be its leaders were present at the meeting. The French-Canadian delegates and the Ontario delegates really led the tariff discussion and dictated the policy.

Trust Companies Announce Third Cut in Interest

Interest rates on savings deposits with most trust and loan companies are due for another cut on Jan. 1, 1935. The current rate of three per cent will be cut to 2½ per cent. This is the third reduction since the movement commenced in May, 1933, when rates stood at four per cent.

Rates of interest on guaranteed investment certificates or debentures, it is understood, will remain unchanged.

An Exception

Canada Permanent Mortgage and its subsidiary, Canada Permanent Trust Co., for the time being will not follow the general reduction and will continue to pay three per cent.

The National Trust Co., Toronto General Trust Corp., Huron and Erie and Sterling Trust will make the reduction.

No decision has yet been made by Chartered Trust & Executor Co., and Trust & Guarantee Co.

FORD PRICES BIG QUESTION IN AUTO WORLD

(Continued from page 1)

streamlined car was responsible for some last minute changes among other manufacturers. Those who have seen the new Fords have been impressed by the generally advanced appearance.

Plymouth and Dodge, although they will not be viewed by the public until Jan. 5, are already being driven to dealers' showrooms and have been seen by the press. Mechanical changes have not yet been listed for public release but it is known that they are numerous. Sloping rear lines, high narrow radiators and wider bodies follow the 1935 trend. The public preference for built-in trunks or rear luggage compartments is also catered to in the 1935 lower-priced lines of Chrysler Corp.

Estimate Purchasing Power

It is understood that Chrysler Corp's production is based on its estimate that purchasing power in Canada in 1935 will be 11 per cent higher than this year. Backed by an intensive advertising campaign, Chrysler hopes to cut a wide swath in the 1935 low-priced market.

Chrysler and De Soto are not yet in production in Canada, but a start is expected soon. Chief change in these models, as far as can be seen, is the introduction of a more conventional radiator treatment, in modified V-type. This new radiator follows the modern high, narrow style.

G. M. and Studebaker

General Motors' plans have already been discussed in The Financial Post. Only changes which have taken place since then is that there is some doubt as to whether or not the standard Chevrolet will be ready by the end of the year.

Studebaker's new cars were shown to dealers last week and a summary of the major changes appeared at that time. New front end treatment, both radiator and springing, was the feature.

Hudson Released

Over at Tilbury, Hudson Motors, going ahead apparently unworried by the major manufacturers, this week announcing its complete line and prices for 1935. As already mentioned, many of these prices are lower than last year.

Hudson's all-steel roof, welded in one unit with the body is the safety feature being stressed. Style centres on the new streamlining made effective through the higher radiators and the sweeping rear lines. Seats to take three comfortably are also featured. Oversize tires are standard. "Axle-flex" (Hudson's individual wheel suspension) is optional equipment on all models at slight extra cost as is the "electric hand" or automatic gear-shifting attachment.

A more complete survey of the new Terraplane and Hudson lines appears elsewhere in this issue.

Other Plans

Among the cars which take a smaller share of the Canadian market, Hupmobile and Graham are both said to be ready for 1935 with new lower-priced lines in an attempt to crash into the major market. Packard is planning a smaller, lower-priced line and Lincoln is said to be paralleling this move with a smaller 12.

Obituary

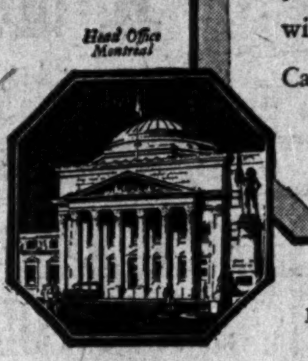
W. Harold Mara, partner in the brokerage firm, Mara and McCarthy, died in his 53rd year. Born in Toronto, he entered business as a junior clerk of Canadian Pacific Railway. In 1916 he became president of William Mara Co., wholesale and retail wine merchants,— founded by his father—and later vice-president of Michie-Mara Co., Montreal. He also became partner with Leigh McCarthy in 1921 in Mara & McCarthy. He was president of Toronto Stock Exchange four years ago. He was a director in Canada Malting Co., Hiram Walker-Gooderham & Worts, The Federal Fire Insurance Co., the Consolidated Fire and Casualty Co., the Trusts & Guarantee and the Investment Foundation. He was a member of the board of the Hospital for Sick Children and of many clubs.

Esau Thistle, secretary-treasurer of Walkerville Brewing Co., was found dead on Dec. 16 at Windsor.

Make Your Reservations For the Christmas-Day Dinner

Dine in ease and comfort amid the familiar surroundings of Jenkins Art Galleries.
Serving from 12 to 9 p.m.
After dinner delve into the future with Prof. De Kuyper, of Lyons, France, professional psychic.

George COLES LIMITED
28 College Street
TORONTO



Head Office Montreal

Partner with the people of Canada for 117 years.

TOTAL ASSETS IN EXCESS OF $700,000,000

BANK OF MONTREAL
Established 1817

The Guild Shirt Shop at Simpson's

Guild Shirts
---for the important names on your list

We believe they are Canada's finest, these superb shirts from the Shirt Maker's Guild. Certainly they're made by the most skilled needleworkers in the craft. The shirtings come from the famous fabric centres of the world and they have distinction of design and color to an unusual degree. "Guild" shirts are available in a special shop of their own on the Street Floor of the Store for Men. They must be seen to be appreciated. We have no hesitation in recommending them for the top men on your Christmas list. Priced as low as $4.

Simpson's—Street Floor.

THE ROBERT SIMPSON COMPANY LIMITED

Dunlop's Limited
Choice Flowers Since 1880

At Christmas Time Send Flowers
Flowers telegraphed to all parts of the world
8-10 Adelaide Street West
TORONTO
Telephones — AD. 7404
Nights—KI. 4255

The National and Tate Galleries

By R. N. D. Wilson

Here is an opportunity to increase your knowledge of pictures and artists, and more than that, an opportunity to deepen your appreciation of painting. There are one hundred full-colour reproductions of famous pictures in the book and studies written simply and with understanding, of the great artists whose paintings are reproduced. A book of rare beauty, worthy of an honoured place in every home. (Large page—7¼ in. by 10 in.)..$4.00

Thomas Nelson & Sons Limited

This CHRISTMAS give Laura Secord CANDIES
The most popular gift
all 50¢ the pound
Telephone: ADelaide 1473

Say Too Late For Hydro To Change To 60-Cycle; Cost Would Be Ruinous

Prime Engineering Blunder of Making Queenston-Chippawa Development 25-cycle Cannot be Remedied — Ontario Power Unification Needs Doom 60-cycle Power Oasis

WORLD TREND IS TO HIGHER FREQUENCY

Many Ontario Municipalities Complain of Flicker—Experts Say 60-cycle Best For Illumination—Suggest Better Lamps to Overcome Eye Fatigue From 25-cycle Current

All those Ontario citizens living between Niagara Falls and Toronto on the East, and Goderich, Sarnia and Windsor on the West, must finally resign themselves to the use of 25-cycle frequency electric current for ever and ever, or at least as long as they and their descendants will live in the southwestern quarter of that happy province.

Those who say that the trend in North and South America, in Great Britain and Europe has been increasing in the last two decades to 50 and 60-cycle frequency power and who had hoped that Ontario Hydro-Electric Power Commission would eventually align itself with what is now considered generally by electrical experts to be the best engineering practice, are doomed to disappointment. The Financial Post has sought the opinion of men most qualified to speak in several lands, and all agree that only 60-cycle or other high frequency power projects are in line with the best engineering experience and only these have been for 25 years. All agree, however, that in the Niagara system the investment in 25-cycle power projects has become too huge to tamper with.

Even the last oasis of 60-cycle power in the Niagara district is about to be destroyed. Until now 60-cycle power has been going to those consumers of Hamilton, Oakville, Brantford, St. Catharines, Welland, Beamsville, Grimsby, Burlington, Burlington Beach, Bronte, Thorold, Port Colborne, Trafalgar, Winona, Stony Creek, Palermo, Dundas and other municipalities which were brought into the Hydro family when the Commission bought all the assets of Dominion Power & Transmission Co. for $21,250,000. But the fiat has gone forth and Ontario Hydro is at present actively clearing the way to replacing this 60-cycle power with 25-cycle power. Soon there will not be in the whole province tributary to the Niagara system an area of flickerless light.

Has Best of Motives

Ontario Hydro, in depriving residents of these municipalities of 60-cycle power and supplying them with what they call "an inferior article" in exchange, is acting with the best of motives. It rightly values unification of services by inter-connection among various areas very highly. When breakdowns occur power can be quickly turned in from another district. It is a difficult thing to do between two systems of different frequencies without expensive frequency changers. With lots of 25-cycle power available to turn into the district power breaks should become less frequent and less prolonged when they do come. Their engineers would also probably argue that for power purposes 25-cycle may often be preferable, especially if the load consists of a large number of synchronous converters. To those who complain of the lighting the argument would be that it would be better to get a constant current than a steadier light with occasional breaks. They claim also better regulation of 25-cycle current and less loss in transmission.

Moreover, Ontario Hydro offers to bear all the cost of changing over motors on washing machines and all electric household equipment in the 60-cycle district and to allow industries the depreciated value of old motor equipment toward new 25-cycle motors.

Disadvantages

But users of 60-cycle current have remained adamant in most cases to all these arguments. There was a fight between Hydro and Lincoln Electric Light & Power Co., a subsidiary of Dominion Power & Transmission Co., on January 9, 1930, when Lincoln wanted its franchise renewed. It had been 40 years in the business but Hydro opposed the renewal as it also supplied current in the city. With experience of both frequencies the voters gave the franchise renewal to Lincoln because they liked the light and because many industries found the higher frequency valuable to them even as power on account of the greater number of speeds possible. Now that Hydro owns Dominion Power & Transmission Co. assets it can change over anyway even in St. Catharines. Naturally consumers are annoyed.

They are so annoyed that Mayor George Jacobs of Oakville declares he believes Oakville will again generate its own power rather than acquiesce in a change from 60-cycle power to 25-cycle power. Oakville had manufactured its own power in 1912 before it obtained current from the Dominion Power and Transmission Co. He thinks the city can connect up its own system with very little trouble and put in a Diesel plant to take care of its needs.

Arthur Hilmer, chairman of the Oakville Power and Lighting Commission, also considers it a step backward if 25 cycle is adopted in Oakville. "We are all satisfied with a 60-cycle current; it is steady; it does not flicker like 25-cycle. It is easier on the eyes. My own opinion is that it would be much better to generate our own 60-cycle current."

Authorities agree with them in their criticism. Lof & Rushman in their book, "Hydro Electric Power Stations," say that no arc lamp has as yet been developed that will operate with entire satisfaction on frequencies of less than 40 cycles and that incandescent lamps cannot be used to advantage on frequencies of less than 30 cycles. Low voltage incandescent lamps show no flicker, but the effect of fatiguing the eye is noticeable at 25 cycles, especially in high voltage lamps. These authors can see cases where, if most of the energy is to be used for power purposes the condition may be such that 25 cycles would prove to be preferable. In such cases frequency-changers are advised for changing the current required for lighting purposes to 60 cycles.

Use Better Lamps

Another lighting expert points out that 15 watt Tungsten small lamps will flicker badly but 40 or 45 watt lamps will flicker very little. These larger lamps have enough heat storage to prevent great variation in temperature. If the temperature variation is comparatively slight, the flicker is not noticeable. He expressed the view that electricity costs are so low in Ontario that people can afford to use larger lamps and forget about the flicker. The more people study about illumination, the more they realize it is essential to protect the eye and to have more light. That in his view was more essential than the question of flickers. He thought that since 25-cycle power is inescapable in the Niagara system it was best to dwell on the advantages of 25-cycle power and to raise the power of the lamps used.

"For illumination," he said, "there is no doubt 25-cycle current is not as good as 60-cycle on account of the flicker. There are certain people who cannot see the flicker, however, and the majority of people cannot see it at 30 cycles. Probably nobody can see it at 30 cycles. It cannot be so hard on the eyes as many people think because many who complain about the flicker do not complain about the moving pictures where the frequency is about 16 2/3 cycles. That is, there are 16 2/3 exposures per second. The flicker used to be noticeable in movies but better photography and smoother operation apparently have eliminated it for most people.

"It is true that transformers, generators and motors are all more expensive and less convenient for 25-cycle than for 60-cycle power frequency. That is an argument in favor of 60-cycle power frequency for a new plant. It does not apply to Hydro which has paid for so much equipment already. Switching and control equipment is affected very slightly by the difference in frequency so far as price is concerned. It makes little difference for household equipment because a motor is such a small portion of the whole machine. The machine would probably sell at the same price no matter what frequency was used."

How it All Started

When 25-cycle frequency was first established at Niagara Falls it was the proper thing to do at that time. It was better adapted to transmission over long distances and to delivery for power to tramway and traction companies which then were looked on as the chief users. It was possible to sell to users of 25-cycle power both in Toronto and Buffalo; both of these markets were needed to make power projects profitable.

This was all before Ontario Hydro Power Commission entered into the picture. What actually happened is described in the autobiography of Benjamin Garver Lamme. He says, "At this time (1892) the Niagara power development was being seriously considered by a commission, consisting of Dr. Coleman Sellers, Professor Rowland of John Hopkins University and Professor John Forbes of England and others. There was considerable discussion among these engineers regarding the frequency to be adopted on the proposed Niagara plant. Professor Forbes wanted 2,000 alternations per minute (16 2/3 cycles) and he had designed an 8-pole machine at 250 revolutions per minute. The Westinghouse engineers wanted a 16-pole machine at 250 r.p.m., thus giving 4,000 alternations (33 1/3 cycles). Finally, as a compromise we agreed upon 12 poles at 250 revolutions. Thus originated the 25-cycle frequency."

Toronto Power Company brought 25-cycle power to Toronto because it wanted to supply it to street railway. It used frequency converters for residential and other uses. That was back about 1906 and the power was brought into Toronto on a 60,000-volt line. That was real engineering in those days. It was as big a problem to do that as to construct a 220,000-volt line today.

Started Off Wrong Foot

Another all-sufficient reason for 25-cycle development in the early years of the century was that there were no satisfactory converters for high frequency power and 25-cycle power could be delivered more efficiently for use of tramway and radial systems. But by 1910 when Ontario Hydro first received power (contracted for in 1908) from Ontario Power Co., the situation had been changed radically by the development of the synchronous converter to great efficiency. It was then possible to deliver 60-cycle frequency just as easily and efficiently as 25-cycle frequency power. That can be seen by the fact that Dominion Power & Transmission Co., under its former names delivered 60-cycle power to the Hamilton Cataract Power, Light & Traction Co., to the Hamilton Electric Light & Power Co., to the Hamilton Street Railway Co., to the Hamilton Radial Electric Railway Co., to the Hamilton, Grimsby & Beamsville Electric Railway Co., to the Brantford & Hamilton Electric Railway Co., to the Hamilton Terminal Co., to the Dundas Electric Co., to the Lincoln Electric Light & Power, to the Western Counties Electric Co., and to all residents in its district.

Others Took Right Road

Apparently the privately-owned company "doped out" the situation better than Hydro did, and that is true even though Hydro is now undoing Dominion Power's work. Ontario Hydro had similar opportunities to other companies. It was true that the 25-cycle transmission was established. But in 1910 Hydro was only supplying power to 10 urban municipalities; it had spent $3,600,000 to build transmission stations and transmission lines to distribute the 100,000 horsepower bought from Ontario Power Co. It reached the limit of this power in 1915.

Hydro reached the limit of its contract with Ontario Power in 1915 at 100,000 horsepower. It then arranged with Canadian Niagara Power for 50,000 horsepower and with Toronto Power for another 25,000 horsepower. In August, 1917, it bought Ontario Power Company outright with its current capacity of 160,000 horsepower which it increased in 1919 to 180,000 horsepower. In December of 1920 it acquired Toronto Power Company with a plant of more than 120,000 horsepower. It therefore, then had 365,000 horsepower available and was busy developing the Queenston-Chippawa Development. The first unit of the latter was ready in January, 1922, and in December, 1925, it had this great plant up to its present capacity of 550,000 horsepower by installing the ninth unit.

Companies Unloaded

Thus Hydro took over the plants of privately-owned companies whose engineers already realized that they were delivering current at too low a frequency as compared with the developing trend. It still could have changed over 25-cycle equipment which cost about $80,000,000 and now all Ontario would probably have unification at the 60-cycle frequency. But that might have been politically disastrous. It would have been admitting a mistake in earlier power purchases.

It would, however, have been economically and scientifically possible. It was late in the day and would have been expensive but it was possible. Hydro has, however, in this department followed the line of least resistance. It could have changed over to 60-cycle as B. C. Power did in 1915. Buffalo changed; all over the United States changes were made. The Niagara system and the plants that deliver power to it from Gatineau, Beauharnois and Maclaren are the only large 25-cycle developments in Canada, except Abitibi in the North and some smaller plants. In Great Britain more and more 50-cycle power is going into use and lower frequencies are steadily being abandoned. Germany did the same, and once sent to Ontario 25-cycle equipment it was abandoning in favor of higher frequencies. In South America 50-cycle frequency is the rule.

Eastern Canada 60-Cycle

Hydro engineers, once away from the pressure of the first capital investments made in connection with the Niagara system, apparently favored the 60-cycle frequency themselves. The first Hydro Electric development constructed by the Commission was on the Severn River at Wasdells Falls. This is one of the plants serving the Georgian Bay system on behalf of the municipalities and was about three miles below Lake Couchiching. The work commenced in July, 1913, and the project was completed in September, 1914. The main generators are of the vertical three-phase 60-cycle type. At Eugenia Falls the generating plant was also of the three-phase 60-cycle current type.

Even the contract with Gatineau Power which provided for ultimate delivery of 260,000 horsepower of 25-cycle power, also arranged for 100,000 horsepower of 60-cycle power. The former was carried over 220,000 volts transmission line to Toronto in order to relieve power of the Niagara system for western parts of the province. Sixty-cycle power, however, was conveyed over a 110,000 volt line to take care of the requirements of Eastern Ontario. Ontario is, therefore, for Hydro Commission purposes, divided into two sections, the most important being 25-cycle power, just simply because it got started that way and the other with 60-cycle power because it got started that way.

Took the Fatal Step

Time was when electrical experts regarded the expansion of 25-cycle frequency power in the Niagara district rather sadly, believing that the work would all have to be undone and 60-cycle frequency current equipment substituted at great expense. But when Ontario made the great adventure in building the Queenston-Chippawa project with its 550,000 horsepower, and determined on 25-cycle power, the wisest ones knew the die was cast; the expense of changing over, they say, is now too great. Before Chippawa, probably $80,000,000 of equipment would have been involved in the change. Today it is a problem concerning more than $600,000,000 spent on projects devoted to 25-cycle power. Most of this has been spent by Hydro itself but huge sums of money also by Gatineau, Beauharnois, Maclaren, to deliver power under contract to Hydro.

It was nobody's fault up to the time of the Queenston-Chippawa project. But by that time electrical experts were so far agreed that the editor of the "Electrical World" is quoted as having said that the building of a project based on 25-cycle power delivery would be "the prime electrical blunder of the age."

A Standing Lesson

Some of the most energetic movers in Hydro had even at the end of the war and for years afterward the idea that Ontario should be covered with a network of radial railways. That doubtless made them think that the Queenston-Chippawa project should be at 25-cycle frequency. Good roads and the rapid development of motor cars and buses rapidly showed that the trend of the times had been misread in this particular also.

What could have been done when only a dozen municipalities took Hydro power or even when 200,000 horsepower was being sold at the time of the Queenston-Chippawa project, has become impossible with 750 municipalities taking this type of current and with 25-current power exceeding 1,359,000 horsepower available from various projects.

The power load has been doubling every seven years. If not insuperable now, it becomes more so with every year. The change-over of 60-cycle power to 25-cycle power in the Hamilton district at a cost of at least $1,500,000 shows that Hydro is committed to 25-cycle frequency and has no intention of anything else in the Niagara system.

It becomes important for people of Ontario and of every other province to see that future unification outside this area proceeds on a higher frequency, 60-cycle preferred.

Western Hopes Rest On Heavy Spring Rains

Fall Precipitation in Both Canada and United States Again Below Normal

By R. M. SCOTT

Both Western Canadian and United States' drought areas have passed through the fall rainy season with the great drought of the past few seasons unbroken. Wheat fields in the Great Plains area have entered the winter with a very low reserve of moisture in the soil for the fourth and fifth time in many districts. September rains partly broke the dry spell but October and November were disappointing. In addition to lack of rainfall, temperatures have been considerably above normal even reaching summer heat in places with the result that a great deal of moisture which normally would have been sealed in the ground by frost has been, or is, in danger of being lost through evaporation.

Rainfall records compiled through the summer and fall months in the wheat belt of both Canada and United States were considerably below normal. In the Canadian provinces concerned, Manitoba received but 74 per cent of the normal precipitation record between April 1 and October 31, Saskatchewan 72 per cent and Alberta 84 per cent. These percentages are based on Dominion Meteorological data. Temperatures during the summer months were unusually high and crop production records now show the effect of these.

Outlook For 1935

Separating the summer from the fall moisture receipts makes it possible to view the prospective condition for next spring's sowing. In Manitoba the average precipitation received between August 1 and October 31 was 44 per cent of that received between April and October; in Saskatchewan 30 per cent; and in Alberta 36 per cent. In average inches of rainfall, Manitoba received 4.5 out of 10 between August 1 and October 31; Saskatchewan 2.5 out of 8.5; and Alberta 4.0 out of 11.0.

Usually not more than half of the rainfall received is stored in the soil, later to be used by plants. Consequently the reserve on the average in these provinces is not nearly normal and where drought conditions have prevailed are much less satisfactory.

The following records will show the relative position of the various points:

Saskatchewan Rainfall, 1934

	Apr. 1-Oct. 31	Aug. 1-Oct. 31
Estevan	6.10	2.74
Moosomin	4.97	2.42
Broadview	7.99	3.21
Indian Head	8.13	3.24
Qu'Appelle	9.45	3.01
Regina	9.88	4.03
Moose Jaw	8.58	2.84
Yellow Grass	7.02	3.41
Assiniboia	7.92	2.30
Shaunavon	8.09	2.25
Swift Current	9.95	3.18
Consul	7.07	2.51
Yorkton	7.49	2.10
Kamsack	7.87	2.29
Elbow	6.59	1.93
Outlook	5.56	1.52
Saskatoon	9.65	2.69
Kindersley	8.88	1.06
Macklin	7.45	2.39
Humboldt	9.43	1.89
Melfort	12.28	2.75
Prince Albert	11.99	1.99
Battleford	10.67	2.50
Lloydminster	9.75	2.66
Sask. average	8.45	2.53
Sask. normal (Apr.-Oct.).	11.70	...

Sask. Again Short

Lack of rainfall in Saskatchewan generally is definitely established by these figures, only three points out of 24 approaching or exceeding the normal rainfall. As to the fall precipitation Regina is the only place which reaches the 4.0 inch mark. The "open" fall which succeeded the recording of these figures and the above normal temperatures which naturally were present establishes the truth that very little reserve moisture is stored over the great southern wheat belt of this province and only heavy spring rains can make up the deficiency for the next crop.

In Alberta the east central part bounded roughly by Stettler, Drumheller, Empress and Coronation is markedly short on fall moisture. This area, unfortunately, suffered from drought during the 1934 season and those immediately preceding. In practically all other sections, including the southern area moisture conditions are fairly satisfactory. The records follow:

Alberta Rainfall, 1934

	Apr. 1-Oct. 31	Aug. 1-Oct. 31
Foremost	11.12	4.12
Medicine Hat	9.34	3.20
Cardston	12.68	4.90
Lethbridge	10.54	5.33
MacLeod	12.58	5.84
Empress	6.13	1.50
Drumheller	7.29	2.28
Calgary	11.61	4.15
Coronation	7.97	2.41
Red Deer	17.15	5.17
Stettler	8.33	2.43
Vegreville	10.56	3.34
Edmonton	15.46	4.23
Beaver Lodge	13.27	7.24
Alta. average	11.00	4.01
Alta. normal (Apr.-Oct.).	13.00	...

Shortage Still Evident

Manitoba records show no definitely short rainfall areas for the fall month, but the southwestern corner and the western side of the province generally has not received sufficient moisture to overcome the severe shortage of the last four to five years. The importance of fall moisture to the succeeding crop should not be overlooked.

Manitoba Rainfall, 1934

	Apr. 1-Oct. 31	Aug. 1-Oct. 31
Pierson	8.16	4.70
Boissevain	9.35	3.65
Morden	9.65	3.56
Emerson	11.28	5.73
Portage	10.29	4.54
Winnipeg	15.29	7.86
Virden	7.54	3.41
Brandon	9.17	4.64
Cypress River	10.58	5.31
Minnedosa	10.56	4.48
Russell	7.89	3.21
Dauphin	9.05	4.23
Swan River	12.05	3.26
Manitoba average	10.06	4.50
Manitoba normal (Apr.-Oct.).	13.60	...

U. S. A. Position No Better

Considering conditions in the United States, not one out of the seven largest wheat producing states had a normal summer and fall rainfall up to the end of September and conditions since have been little better. In the winter wheat belt the State of Kansas, with 23 points reporting, received but 65 per cent of normal rainfall during the six month period April to September inclusive, and but 64 per cent of the normal between July 1 and September 30.

Oklahoma received in the same six months period 71 per cent of normal moisture and for the latter three months 89 per cent. 16 points reported in the state. Nebraska was worse off with 52 per cent of normal for the six month period April to September and had only 62 per cent of normal for the last three months.

Northern States Suffer

Turning to the spring wheat states, Minnesota, with 14 points reporting rainfall had 72 per cent of normal moisture between April and September and 81 per cent of normal between July 1 and September 30. South Dakota with 10 points reporting, received 70 per cent of normal rainfall in the six month period mentioned and 95 per cent of normal for the latter three months. North Dakota and Montana suffered more, the former receiving but 52 per cent of normal in the six month period and 49 per cent in the latter three months. Montana received 57 per cent of normal for the six months and 49 per cent for the three months.

Need Spring Downpour

In view of the exceedingly dry years immediately behind these wheat producing states a record such as this does not augur well for next season's production and already officials are worrying over the condition of the winter wheat crop. Here again only heavy spring rainfall will assure anything like an average crop, particularly in the spring wheat states.

Conservative Management

Conservative management and long experience in corporate and individual trust service supplement the complete facilities of the Crown Trust Company.

We welcome enquiries from and interviews with those interested in Trust Services.

A Conservative Trust Company for the Public's Service.

Crown Trust Company

393 St. James Street, Montreal

Standard Chemical Loss Reduced First Half 1934

Statement of Standard Chemical Co. for the six months ended September 30, 1934, showed a loss before depreciation of $35,758 as compared with $85,633 in the same period of 1933. As depreciation is carried at the rate of $17,500, the loss after depreciation really would be about $53,000.

Reduction of loss resulted from an increase of sales during this period to $524,160 as compared with $450,519 in the first part of 1933.

M. L. Davies, president, reports that practically all commodities produced by the company were in greater demand as a result of the sustained improvement in general business conditions. Lumber exports to Great Britain have been developed as well. Because of the growing demand, for seasonal reasons, for charcoal and alcohol for anti-freeze business in the last half of the year is expected to be larger than in the first half.

Aerated Waters in P. E. I.

With a capital investment of $75,000 in the aerated waters industry, Prince Edward Island's output last year amounted in value to $12,634.

New Issue

Guaranteed Unconditionally by the
Government of the Dominion of Canada
as to both Principal and Interest

$20,500,000

Canadian National Railway Company

Sixteen-Year 3% Guaranteed Bonds

To be dated December 15, 1934. To mature December 15, 1950.
Interest Payable June 15 and December 15.

Maximum authorized amount, $20,500,000. Principal and interest payable in lawful money of the Dominion of Canada at any branch of the Canadian Bank of Commerce in Canada (Yukon Territory excepted). Subject to redemption at the option of the Company as a whole at 100 and interest on December 15, 1945, or on any subsequent interest payment date on 60 days' notice.

Coupon bonds in $1,000 and $500 denominations, registerable as to principal. Bonds without coupons are obtainable in fully registered form in denominations of $1,000, $5,000 and $10,000.

These bonds will be the direct obligations of the Canadian National Railway Company, the capital stock of which is owned by the Dominion of Canada. Payment of principal and interest of these bonds will, under authority of the Parliament of Canada, be guaranteed unconditionally by the Dominion of Canada, a copy of the guarantee to be endorsed on each bond.

We are advised that the proceeds of this issue will be used for refunding purposes under authority of part 2, Chapter 28 of the Statutes of Canada, 1934, relative to the Canadian National Railways.

These bonds are offered when, as and if issued and received by us and subject to the approval of our counsel, Messrs. Long & Daly. Interim bonds or temporary receipts are expected to be ready for delivery on or about December 27, 1934.

We recommend these bonds for investment

PRICE: 99.75 and Accrued Interest to Yield 3.02%

Bank of Nova Scotia
Imperial Bank of Canada
Dominion Bank
Bank of Toronto
Banque Canadienne Nationale

McLeod, Young, Weir & Co. Limited
Hanson Bros. Inc.
McTaggart, Hannaford, Birks & Gordon Limited
Gairdner & Company Limited
Cochran, Murray & Co. Limited
J. L. Graham & Co. Limited
W. C. Pitfield & Company Limited
Kerrigan, MacTier & Co. Limited
C. H. Burgess & Co. Limited

Bell, Gouinlock & Co. Limited
Fry, Mills, Spence & Co. Limited
Midland Securities Corporation Limited
Griffis, Fairclough & Norsworthy Limited
Matthews & Company
Mead & Co. Limited
Harris, Ramsay & Co.
Flemming, Denton & Co.
Drury & Co.

Royal Securities Corporation Limited
Nesbitt, Thomson & Co. Limited
R. A. Daly & Co. Limited
Harrison & Company Limited
Dyment, Anderson & Co.
Skaith & Co. Limited
Collier, Norris & Henderson Limited
R. O. Sweezey & Co. Limited
Greenshields & Co. Inc.

Statements contained in this advertisement, although they do not constitute representations by us, are based upon information which we regard as reliable.

Bank Chat on Current Topics

Improving Small Coins

SIR THOMAS WHITE has come to the support of this column with proposals for the improvement of the design of the humble five and one-cent Canadian coins. The one-cent piece, says Sir Thomas, seems to discolor quickly, and its edge should be made smoother with improvement in its appearance.

Sir Thomas thinks our five-cent piece is too large and too easily confused with the 25-cent coin. But a blind man can easily tell them apart because of the greater surface smoothness and the lack of milled edges of the smaller coin.

The maple leaves and the lettering on the faces of the two smallest Canadian coins appear amateurish to the engraver and typographer. The figures on the five-cent coin are atrocious.

• • •

Half-cent Piece Proposed

HALF-CENT pieces are the latest suggestion for improvement of Canadian coinage. This seems to be a dubious sort of improvement. It is claimed that the housewife would be able to buy a single two-for-a-quarter article for 12½ cents, thus saving the half-cent penalty usually levied on such purchases. But what other useful purpose would a half-cent piece serve? It would be a nuisance in accounts. And someone would probably write half-cent cheques just to see how banks would handle them.

Sir Thomas White points out that one of the early objections to making the one-cent piece smaller was that children would swallow them. Apparently the possibility that a child might swallow the old silver five-cent piece didn't come up. A half-cent coin, however, would probably have this possible disadvantage, since, presumably, it would be small.

• • •

Printing New Money

BANK OF CANADA is expected to start to function about March 1. By that time Canadian bank note companies will have millions of new notes ready for distribution.

The present Dominion notes are to be called in shortly after the bank starts operations. The bank note companies are reported to be preparing extra shifts to run the new money off their presses.

• • •

Why Two-dollar Note?

A READER writes from Edmonton to say that he fails to see why a two-dollar bill is necessary at all in the new currency. He says:

"A two-dollar bill does not seem to answer any purpose. I have never met anyone but who would rather have two one dollar bills than one two. The extra cost of printing and issuing together with continually having to separate from other bills makes this denomination a nuisance. It would be a good time to break away from this issue, and not blindly follow a custom which has no merit. It would be too bad to miss the Queen's picture on one set of bills, so she, and those after her, could be moved up one issue, dropping the Duke of Gloucester."

This seems a bit rough on the Duke, and it's too late now to eject his likeness from the currency which has already been designed.

• • •

The Bank of Nova Scotia announces the following staff changes:

R. C. CLARK to be manager at Welland, Ont.

E. WHEELER to be manager at North Hill, Calgary, Alta.

Bank of Montreal announces the following staff changes:

B. C. GARDINER, formerly second agent at New York, to be first agent.

K. C. WINANS, formerly third agent at New York, to be second agent at New York.

G. R. BALL, formerly assistant agent at New York, to be third agent.

R. S. CLARK, formerly accountant at New York, to be assistant agent.

W. S. BRAGG, formerly an inspector at head office, to be assistant manager at Chicago.

E. A. ROLSTED, formerly manager at Cardston, Alta., to be manager at Magrath, Alta.

J. W. GALBRAITH, formerly manager at Magrath, Alta., to be manager at Kamsack, Sask.

D. H. ALLAN, formerly manager at Kamsack, Sask., to be manager at Estevan, Sask.

G. H. GRIMES, formerly manager at Estevan, Sask., to be manager at Maple Creek, Sask.

L. H. LIVESLEY, formerly manager at Maple Creek, Sask., to be manager at Neepawa, Man.

Who's Who Among 69 Candidates For Bank of Canada Directorate

Information Drawn from Over Two Score of Sources on Individual Contestants

As much pertinent information about each individual candidate for the directorate of the Bank of Canada as is possible, commensurate with limitations of space, is presented herewith by The Financial Post. Over two-score sources of data were scrutinized in compiling the information on occupations and qualifications of the various contestants. The policy followed in gathering the material was to fairly represent the experience and capacity of each individual.

Two directors must be chosen from classification A, those occupied in primary industry; two from classification B, manufacturing and commerce; three from other occupations, classification C; a total of seven. The Post's Who's Who of the 69 candidates follows:

PRINCE EDWARD ISLAND

No candidates.

NOVA SCOTIA

Classification A

McKean, William Kirk, Halifax, lumber merchant, president George McKean & Co., Saint John and Halifax; one of biggest exporters in Nova Scotia; active in Halifax Board of Trade; president N. S. Lumbermen's Association. Canadian Chamber of Commerce candidate for Maritimes.

Whitman, A. Handfield, Halifax, fish merchant, president and managing director Robin, Jones & Whitman Ltd.; president The Mortgage Corp. of Nova Scotia; director Nova Scotia Light & Power Co., active in Canadian Chamber of Commerce.

Zwicker, Homer F., Lunenburg, fish merchant, graduate in law Dalhousie University, unsuccessful candidate last N. S. election, son of E. Fenwick Zwicker, who is president Zwicker & Co. and Bluenose Schooner Co.

NEW BRUNSWICK

Classification A

McLean, Alexander Neil, Black's Harbor, fish merchant; president Connors Bros. Ltd.; director of Maritime Trust Co., N. B. Publishing Co., amateur student of and writer on economic and monetary subjects.

Classification B

Evans, Percy B., Saint John, wholesale grocer, chief proprietor P. B. Evans & Son.

Classification C

Armstrong, Beverly R., Saint John, barrister and insurance agent, of Armstrong and Bruce Ltd.

QUEBEC

Classification A

Tait, Sir Thomas, Montreal, mining, president of Minto Coal Co. and of Parkhill Gold Mines, formerly a railway executive in Canada and Australia, recently examined on Thompson-Cadillac Mines closure.

Classification B

Drury, Victor Montague, Montreal, paper manufacturer; president Drury & Co., investment brokers; president The E. B. Eddy Co.; chairman executive committee Canadian Car & Foundry Co.; vice-president The Foundation Co. of Canada; director numerous corporations; former governor Newsprint Institute of Canada; formerly with Bank of Montreal and Royal Trust Co.; close personal friend of Premier R. B. Bennett.

Livernois, Jules, Quebec, wholesale and retail drug merchant, president and general manager J. E. Livernois Ltd.

Magor, Robert J., Montreal, manufacturer, president National Steel Car Co., Magor Car Corp.; director Canadian Arena Co.; president Montreal Board of Trade; consultant on industrial problems. Called in as financial adviser to Newfoundland. A Canadian Chamber of Commerce candidate for Quebec.

Moore, Sir Newton J., Montreal, president Dominion Steel & Coal Corp.; Australian born, surveyed railways there; was mayor Bunbury, W. Australia five years, later Premier and Minister of Lands, W. Australia; former commander Australian Forces; British M. P. 1918-32.

Classification C

Beaubien, Joseph, Outremont, member Metropolitan Commission of Montreal; mayor of Outremont; formerly president Union of Municipalities of Quebec. A Canadian Chamber of Commerce candidate for Quebec.

Birchard, Cecil Clinton, Montreal, physician, official candidate of medical associations, consultant only, heart specialist; has written numerous papers on money which he has studied closely for many years.

Campbell, Anson H., Montreal, insurance agent.

Cook, Charles James Allen, Westmount, Que., contractor, partner Cook & Leitch, general contractors.

Chamber Commerce Selects Bank Slate

Canadian Chamber of Commerce has announced its slate of seven candidates as directors for the Bank of Canada as follows:

Primary Industries
W. K. McKean, Halifax.
R. A. Wright, Drinkwater, Sask.
Commerce and Manufacturing
W. D. Black, Hamilton.
R. J. Magor, Montreal.
General Occupations
Jos. Beaubien, Outremont.
Thos. Bradshaw, Toronto.
W. C. Woodward, Vancouver.

Day, J. P., Montreal, professor of economics, McGill University; close student foreign exchange, international banking and finance.

Foran, Philip Fulford, Hull, barrister, partner Foran and Foran.

Foster, George Buchanan, Montreal, barrister, partner Foster, Place, Hackett, Mulvena, Hackett & Foster; director Interprovincial Exploration Co.; won D.F.C. in R.F.C. 1918. Entered law 1920; K.C. 1931.

Parent, Aimé, Outremont, general manager Sun Trust Ltd.; vice-president Fabien Ltée.; director of Duchesneau Ltée., Verdun Financial Corp., Themis Realty Ltd.

Phelan, Frederick Ross, Montreal, financial publisher, proprietor Financial Service; is militia colonel.

Poirier, Eugene, Montreal, notary.

Stewart, William Lewis Reford, Sherbrooke, engineer and contractor, president Stewart Construction Co.

Surveyer, Arthur, Montreal, engineer; president A. Surveyer & Co., consulting engineers; past president Engineering Institute of Canada; specialty is technical and financial surveys for large corporations and investment dealers; holds distinguished academic degrees; numbers some of biggest Canadian companies among clients.

White, Arthur Ogilvy, Montreal; bond dealer.

Yates, C. Montagu, Montreal, stock and bond broker.

ONTARIO

Classification A

Austin, Allan McNiece, Chapleau, lumberman, president Austin & Nicholson Ltd. U. of Toronto graduate in political science. Owns timber limits along C.P.R. east of White River, Ont.

Gordon, Alexander B., Toronto, lumberman; president A. B. Gordon & Co., Petawawa Lumber Co., Canada Lumber Co.; vice-president Temagami Timber Co., Upper Ottawa Timber Co., Smoky River Timber Co.; director Little Long Lac Gold Mines, Hardrock Gold Mines, Geraldton Lumber & Supply Co., Cochrane Dunlop Hardware Co.; official candidate of Canadian Lumbermen's Association; considered a leader in lumber and timber industry; not fond of publicity.

Hammell, John E., Toronto, mining, president Pickle Crow Gold Mines, Northern Aerial Canada Golds Ltd., Harker Gold Mines, Greene Stabell Mines; director Howey Gold Mines; a pioneer of Flin Flon and Rouyn mining areas; sank first drill hole in latter area.

Hannam, Herbert Henry, Toronto, agriculturist, secretary United Farmers of Ontario; formerly livestock editor Canadian Countryman; as U. F. O. educational secretary, studied in Europe on a Carnegie scholarship; endorsed by United Farmers bodies in Ontario, Manitoba, Saskachewan, Alberta.

Watson, James Perry, Toronto, mining, president Mining Corp. of Canada, Ashley Gold Mining Corp., Outremont Mining Corp., Base Metals Mining Corp.; director Hudson Bay Mining & Smelting Co.; vice-president E. & S. Currie Ltd., men's wear; formerly president Bankers' Bond Co. and Toronto Board of Trade; started in men's wear business and got into mining in 1908.

Classification B

Black, William Duncan, Hamilton, manufacturer, general manager Otis-Fensom Elevator Co., former chairman Hamilton branch Can. Manufacturers Assoc.; Canadian Construction Council official. Delivered address on stabilization of construction last spring. A Canadian Chamber of Commerce candidate for Ontario.

Booth, Charles Jackson, Ottawa, manufacturer, president J. R. Booth Ltd., lumber and newsprint; member advisory board Royal Trust Co.; director Ottawa Forestry Ass'n. Son of J. R. Booth, late Ottawa valley lumber king. Owns several important Ottawa office buildings.

Freudeman, Fred. L., Guelph, manufacturer, general manager Sterling Rubber Co.

Lawson, Ray, London, manufacturer; president: Lawson & Jones, lithographers; London Shipping Containers; Maritime Paper Prods.; Lawson Lithographing Co.; Royal Print & Litho. Co.; vice-president London & Western Trusts Co.; director Northern Life Assurance Co. and others. Born and educated in London.

Munro, Herbert Granville, Ottawa, commerce, manager and secretary-treasurer Bryson-Graham Ltd.; department store.

Paterson, Norman McLeod, Fort William, grain merchant and elevator owner, president N. M. Paterson & Co., Paterson Steamships Ltd., Kaministiquia Lumber Co., Canadian Fishnets Ltd.; director of Goderich Elevator & Transit Co., Montreal Dry Docks Ltd., Kaministiquia Power Co. and others. First was junior with L. Manitoba Ry. and was telegrapher, secretary, chief clerk with Great Northern Ry.; went into present business with his father, 1903.

Samuel, Sigmund, Toronto, chief proprietor Samuel, Son & Co., importers and dealers in iron and metals; active in British Conservative party; has stood for British House of Commons; collector of Canadiana and patron of arts.

Classification C

Ardiel, Lorne, Toronto, business counsel, president Lorne Ardiel Co., Press Agency Bureau Ltd., advertising agency; student and writer on economics and finance.

Bradshaw, Thomas, Toronto, president North American Life Assurance Co.; vice-president Toronto General Trusts Corp.; director Consumers Gas Co., Moore Corp., American Sales Book Co., Canadian Surety Co., and others; joint author several reports on municipal and public finance on which he is consulting authority; formerly: partner A. E. Ames & Co.; general manager Massey-Harris Co.; president Can. National Exhibition; finance commissioner city of Toronto. A Canadian Chamber of Commerce candidate for Ontario.

Bryson, Ray Neil, Toronto, bond salesman, formerly with W. A. MacKenzie & Co. and R. A. Daly & Co.

Crawley, Arthur Alfred, Ottawa, chartered accountant, president Arthur A. Crawley & Co.; past president Institute of C. A.'s of Ontario; several years experience with bank; senior partner in present firm over 21 years.

Hughson, John Ward, Ottawa, bond dealer, secretary-treasurer W. C. Hughson & Sons Ltd.

Kains, Archibald Chetwode, Ottawa, retired banker, formerly with Canadian Bank of Commerce at Montreal, New York, New Orleans, San Francisco; governor Federal Reserve Bank, San Francisco, 1914-17; president American Foreign Bank, New York, 1917-21; president Federal International Bank, New Orleans, 1921-25.

Mackenzie, Michael Alexander, Toronto, consulting actuary, expert on pension funds and consulting authority on fraternal insurance. Professor of mathematics University of Toronto; president Penny Bank of Ontario; director Canadian General Investment Trusts, Real Estate Loan Co. of Canada, Canadian General Insurance Co., Traders Finance Corp.; author of works on mathematics; amateur yachtsman, and president U. of Toronto Athletic Assn. for many years.

Mackintosh, W. A., Kingston, professor of economics Queen's University, author of works on banking and economics, now on leave of absence in Britain; close friend W. C. Clark, Deputy Minister of Finance, Ottawa.

McConnell, James Edward, London, advertising agent, president McConnell & Fergusson, Ltd., vice-president Gypsum, Lime & Alabastine Canada; director Northern Life Assurance Co., Brantford Roofing Co. Publishes monthly index of business.

Murdock, Mrs. Annette Follis, Ottawa, second wife of Senator James Murdock, formerly Dominion Minister of Labor.

O'Hara, Francis Charles Trench, Ottawa, retired, Deputy Minister of Trade and Commerce for Canada, 1908-31, formerly commissioner and delegate for numerous government services, including war clothing and food administration. Toured Latin America in interests of Canadian trade, 1927.

Paradis, Eugene, Ottawa, retired, formerly chief of Distribution Office, Dominion Government; private secretary to numerous ministerial incumbents and member civil service for some 40 years.

Somerville, Walter Harold, Waterloo, general manager The Mutual Life Assurance Co. of Canada; past president Canadian Life Officers Association; started with company in 1900, became associate actuary, secretary 1918, assistant gen. mgr., 1920; gen. mgr. 1926. Fond of golf and member 3 clubs.

Truman, John T., Hamilton, insurance broker; former president Ontario Fire & Casualty Agents' Association.

Wright, E. Ward, Toronto, barrister, vice-president Robb-Montbray Mines; director of T. E. Bissell Co., Standard Paving and Materials, Chartered Trust & Executor Co., Montreal Mortgage & Investments, T. G. Bright & Co.; president of Quebec Prospectors Ltd., Central Porcupine Mines; nephew of Hon. N. W. Rowell, who is prominent Liberal; has general, not technical, knowledge of banking.

Wyatt, Edward, London, principal St. George's public school since 1904. Queen's University B.A.

MANITOBA

Classification A

Bredt, Paul Frederick, Kemnay, farmer and president Manitoba Pool Elevators; formerly connected with extension department of Saskatchewan Department of Agriculture; joint author report on European markets for barley after studies abroad.

Classification B

Leach, Norman Lawrence, Winnipeg, grain merchant, vice-president Searle Grain Co., director Grain Insurance and Guarantee Co.

Bank of Canada Office In the Victoria Bldg.

Office of the Bank of Canada is located in the Victoria Building, Ottawa.

Some confusion as to the location of the head office arose last week because the bank was seeking to purchase property in Montreal. It is explained that purchase of a Montreal office is necessary because of the non-existence of an assistant receiver-general's office in that city.

In other cities the offices of the assistant receivers-general will be taken over as branches of the bank. The Bank of Canada Act stipulates that the head office must be in Ottawa.

Rogers, Edgar Garfield, Winnipeg, metal manufacturer, president Canadian Rogers Sheet Metal & Roofing; past chairman Winnipeg Industrial Development Board; former chairman Winnipeg section Canadian Manufacturers' Association. Born on farm near Toronto; first candidate to circularize shareholders.

Classification C

Adamson, Christopher A., Winnipeg, barrister, vice-president and managing director The Western Trust Co., director The North Empire Fire Insurance Co.

MacGregor, John, Winnipeg, financial agent.

SASKATCHEWAN

Classification A

Wright, Robert Allen, Drinkwater, farm and ranch owner and livestock breeder; president Western Canada Livestock Union; nominated as prairies candidate of Canadian Chamber of Commerce. Born in Iowa, naturalized Canadian 1913; came to Saskatchewan in 1909 and in ranching and farming ever since.

Classification C

Milliken, Robert H., Regina, barrister. Counsel for Saskatchewan Pool Elevators; specialist in corporation law; consultant Ontario tobacco marketing 1928; studied Danish banking 1929; one of authors of National Products Marketing Act.

Phoenix, Norman Leslie, Landis, physician.

ALBERTA

Classification B

Willson, William Herbert, Calgary, merchant.

Classification C

Biggs, Jesse Carl, Edmonton, broker and proprietor J. C. Biggs & Co.

Harvey, Frank M., Calgary, chartered accountant, past president of The Dominion Association of Chartered Accountants, nominated as representative of the association; authority on corporation and municipal finance.

BRITISH COLUMBIA

Classification B

Bennett, William Andrew Cecil, Kelowna, retail hardware merchant and operates own firm.

Classification C

Harvey, Joseph Newton, Vancouver, financial agent, president J. N. Harvey Ltd.; director Vassar Oils; Harvey-Hutton Ltd.; Anglo-Dutch Oil Holdings; member of senate, University of B.C.; formerly: retail clothing merchant; president Clothiers' Association of Vancouver before it joined Retail Merchants' Assn.; has been president laymen's conferences Methodist Church.

Jackson, Joseph, Cranbrook, insurance agent.

McMaster, Edward Blake, Vancouver, professional secretary.

Woodward, William Culham, Vancouver, accountant, vice-president Neon Products of Western Canada, treasurer Woodward Stores Ltd.; departmental Vancouver retailers. Stores' sales in year to Jan. 31, 1934, $7,836,838; peak, 1931-32, $10,053,655. Canadian Chamber of Commerce candidate for B. C.

Holt, Renfrew Appoints Walker Vice-president

From Our Own Correspondent

MONTREAL.—Holt, Renfrew and Co. announces that A. J. Walker, managing director, has been appointed vice-president of the company. Mr. Walker succeeds the late Robert S. Coltart to this position. His official title now becomes vice-president and managing director.

Weekly Bank Clearings

	Dec. 13 1934 $	Change Year Ago %	Dec. 6 1934 $
Halifax	2,191,122	+15.0	2,383,283
Saint John	1,625,463	+16.2	1,949,933
Moncton	694,253	— 7.9	904,146
Sherbrooke	564,778	+22.7	636,850
Quebec	3,669,716	+14.7	4,359,803
Montreal	100,32[illegible],535	+49.1	121,703,312
Ottawa	4,159,480	+15.2	5,313,739
Kingston	538,050	+17.0	646,891
Peterborough	561,840	+ 3.4	674,161
Toronto	123,087,877	+53.7	146,239,609
Hamilton	3,595,884	+13.2	4,259,968
Kitchener	854,620	+ 6.1	1,176,929
Brantford	695,097	+15.7	819,083
London	2,394,989	+15.4	3,358,748
Chatham	485,266	+ 8.2	541,887
Windsor	1,892,224	— 6.2	1,898,571
Sarnia	379,472	+ 7.6	501,553
Sudbury	716,290	+17.0	691,366
Ft. William	570,075	+12.7	750,488
Winnipeg	47,608,020	+39.9	67,766,993
Brandon	287,711	+11.3	367,612
Regina	3,910,159	+40.8	4,517,879
Moose Jaw	505,317	+15.7	637,660
Saskatoon	1,396,428	+28.5	1,726,253
Pr. Albert	293,559	+29.0	353,245
Edmonton	4,569,704	+35.2	5,062,673
Calgary	5,731,448	+35.7	6,061,006
Medicine Hat	229,176	+22.6	258,166
Lethbridge	473,362	+19.0	596,218
N. W'minster	425,274	+ 6.8	540,217
Vancouver	13,867,053	+19.4	16,137,970
Victoria	1,388,433	+13.0	1,629,777

BANK OF CANADA INVESTORS FACE 1 IN 10 ELECTION

Must Choose 7 Directors from 69 Candidates at Chateau

3 ELECTIONS IN 1

Eight Provinces and 28 Municipalities Represented by Candidates — One Woman Contestant

When shareholders of the Bank of Canada, the Dominion's still embryo central bank, foregather for their first general meeting in the Chateau Laurier, Ottawa, on Jan. 23, 1935, they will be faced with the somewhat difficult task of selecting the seven best directors from a field of 69 candidates for office, a choice of one in ten. And the select seven later will have to choose a chairman among themselves.

Of the 69 candidates for the seven directorships, only one is a woman, Mrs. Annette Follis Murdock, wife of Senator James Murdock. The large group of nominees offers the shareholders a broad choice, and includes many whose names are famous in Canadian business.

8 Provinces, 28 Places

All the provinces except Prince Edward Island are represented in the list of candidates. Ontario leads with 28 nominees. Quebec is second with 19. Manitoba and British Columbia have five each, and there are three from each of Nova Scotia, New Brunswick and Saskatchewan.

The candidates represent *28 Canadian municipalities from the Atlantic to the Pacific. Montreal is represented with 13 nominees. Toronto is second with 10, closely followed by Ottawa which has nine. Winnipeg is represented by four men, and London and Vancouver by three each. Hamilton, Outremont, Halifax, Saint John and Calgary each have two representatives. The following places are represented by one nominee each: Lunenburg, N.S.; Black's Harbor, N.B.; Quebec, Westmount, Sherbrooke and Hull, Que.; Chapleau, Waterloo, Guelph and Kingston, Ont.; Kemnay, Man.; Regina, Landis and Drinkwater, Sask.; Edmonton, Alta.; Kelowna and Cranbrook, B.C.

Three Contests in One

The contest for the seven directorships is subdivided into three occupational sections, as follows:

Classification A—Persons employed chiefly in primary industries; the two polling most votes to be elected.

Classification B—Persons occupied chiefly in commerce and manufacturing; the two with the greatest number of votes in this classification to be elected.

Classification C — Candidates occupied chiefly in other than primary industry, commerce and manufacturing; the three with most votes in this poll to be elected.

There are 12 contestants in group A, so that one in six will be elected. In group B there are 16 candidates, so that only one in eight can win. Of the 41 class C contestants three will be winners, a ratio of nearly 14 candidates for each of these directorships. Thus, there is some arithmetical advantage to candidates in categories A and B, but in any event, there must be 62 losers.

Occupations of Candidates

By coincidence, the 12 group A candidates are divided equally into three representatives of each of agriculture, fishing, mining and lumbering; the 16 class B contestants are divided: eight engaged in manufacturing and eight engaged in merchandising and commerce.

In class C, there are eight candidates engaged in the business of investments, seven lawyers, five insurance men, three professors, three accountants, three engineers and contractors, two advertising men, two physicians and eight in miscellaneous occupations.

While shareholders cannot vote by blank proxy, those who cannot attend the meeting may have the Minister of Finance cast their votes in accordance with their specific instructions. Each shareholder may vote his shares for seven candidates: there must be two in each of groups A and B and three in class C.

---

* None listed as defaulters on bonds.

We recommend for conservative investment

CANADIAN NATIONAL RAILWAY COMPANY

Sixteen-Year 3% Guaranteed Bonds

Maturing December 15th, 1950

Proceeds of this issue will be used for refunding purposes. Principal and interest payable in lawful money of the Dominion of Canada.

Guaranteed unconditionally by
THE GOVERNMENT OF THE DOMINION OF CANADA
as to both principal and interest.

Price: 99.75 and accrued interest to yield 3.02%

NESBITT, THOMSON
and Company Limited
355 St. James Street West, Montreal, Que.
Branches in all the principal cities of Canada

194

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning and operating mills at
Beaupré, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Pine Falls, Man.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.

Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp
News Sulphite Pulp
High Grade Bleached Sulphite Pulp

An Investment To Yield 4.25%

Province of Alberta
4% Bonds
Due December 15th, 1954
Denominations: $1,000, $500 and $100

This issue of Province of Alberta Bonds provides an excellent investment opportunity, combining security and an attractive interest return with a substantial discount.

Price: 96.65 and interest, yielding 4.25%

Telephone or mail orders receive prompt attention.

Wood, Gundy & Company
Limited
Toronto
Montreal
Winnipeg
36 King Street West
Toronto
PHONE: ELGIN 4321
Vancouver
New York
London, Eng.

Certificates—Worthy of the Assets They Represent

A GIANT corporation representing millions in assets—vast timber limits, a hydro-power development, a great and expanding manufacturing plant, a goodwill built up over a long period of years by a management of capacity and integrity! These should be reflected in the quality of your bonds and stock certificates.

For over 100 years, the Canadian Bank Note Company has built up a solid reputation for its products.

Out of its experience has come the finest in craftsmanship, the utmost care in fine printing, specially developed and exclusive safety paper.

Quality finds its own level. Bonds and stock certificates achieved by this company are enhanced and safeguarded by quality, and reflect the utmost in worthy expression, of the assets they represent.

A nation-wide capable and courteous service is at your disposal in the planning and fulfilling of your needs.

EXPERT and EXPERIENCED
Engraving and Printing of Bonds and Debentures
Stock Certificates
Bank Notes
Cheques
Drafts
Postage and Revenue Stamps and other Monetary Documents

CANADIAN BANK NOTE COMPANY
LIMITED
Head Office and Works—OTTAWA
—Branch Sales Offices—
TORONTO MONTREAL

Now Available
a detailed analysis of the
BANK OF CANADA

The Financial Post Corporation Service has prepared an analysis of the Bank of Canada, giving a detailed review of Canada's new central bank.

The analysis is in card form and brings together in a convenient and readable manner the important facts with regard to the Bank of Canada.

Details are given of the following:
Business and powers of the bank.
Provisions of note issue.
History of its formation.
Management.
Capitalization.
Dividend rate.
Allocation of profits.
General arrangement of balance sheet items.

Investors and investment institutions will find this analysis invaluable as a source of information on the formation and powers of this new bank. Send for this analysis. Single copy rate, $1; each additional copy, 10 cents.

The Financial Post Corporation Service
481 University Ave., Toronto

THE FINANCIAL POST CORPORATION SERVICE
481 University Ave., Toronto.

Please send me postpaid .... copies of the analysis of the Bank of Canada. I enclose cheque for $.......... at the rate of $1 for the first copy and 10 cents for each additional copy.

....

News of Investment Markets

BONDS ADVANCE TO NEW HEIGHTS; ISSUES FLURRY

Some Realizing Results—C. N. R. Offering Post-War Record

Canadian governmental bonds of nearly all categories surged upward to new heights in the week ended Dec. 18. The continued rise of the past month finally brought out a flurry of offerings and some realizing toward the end of the week. Many gains were recorded by corporation bonds, but selective dealings resulted in some losses.

The extent of the improvement in bond prices is indicated by offering of $5,000,000 of Alberta 4's at 96.65 to yield 4.25 per cent and $3.878,000 of Manitoba 4's at 97.79 to yield 4.20 per cent. A year ago these provinces' bonds were selling to yield 5½ per cent and more. The Alberta bonds were reported to have sold "very well."

High Prices Prevail

Sales recorded elsewhere on this page indicate the high prices being received for new offerings on the basis of the market advance. Offering of $20,500,000 of three per cent, 16-year C.N.R.'s at 99.75, to yield only 3.02 per cent, constitutes a post-war record for a long-term bond offering in Canada. Reception of this issue is termed "quite satisfactory."

It is noteworthy that very little of the large volume of borrowing is new financing. In the cases of Alberta and Saskatchewan the loans represent funding of short-term borrowings, which, in turn, were largely made to redeem maturities in the last two years. Thus, these loans are really refunding operations. So is the C.N.R. issue. The western provinces have much more financing to do before the short term debt situation will be clear.

Investors' Dilemma

Among corporation bonds, investors are facing the possibility that some of the best esteemed issues may be called for refunding purposes. Several cases of this kind have already occurred. The dilemma may be presented of either taking a lower rate of interest or buying some lesser security.

Continuation of the increases in issues of Dominion notes is designed to help sustain the Canadian bond market by encouraging bank investment. Some authorities expect an overflow of purchasing from the gilt-edged market into other bonds, provided business recovery is at least maintained and no untoward international developments occur.

Average Yield and Price for Seven High Grade Canadian Bonds

1934	Yield %	Price $	1933	Yield %	Price $
Dec. 18	3.399	114.71	Dec. 18	4.550	102.04
Dec. 17	3.373	115.00	Dec. 16	4.553	102.00
Dec. 15	3.383	114.88	Dec. 15	4.557	101.93
Dec. 14	3.400	114.71	Dec. 14	4.556	101.96
Dec. 13	3.436	114.30	Dec. 13	4.559	101.98
Dec. 12	3.453	114.14	Dec. 12	4.570	101.97
Dec. 11	3.467	114.05	Dec. 11	4.583	101.84
Dec. 10	3.506	113.56	Dec. 9	4.584	101.80
Dec. 1	3.621	112.27	Dec. 1	4.557	102.18
Nov. 1	3.807	110.30	Nov. 1	4.422	103.55

MATURITY PAID MERGER KNOCKED BY WALKERVILLE

Townsfolk Say Amalgamation Would Be Financial Blunder

Town of Walkerville, Ont., raised a bank loan and met its maturity of some $284,000 of bond principal on Dec. 14, The Financial Post is informed. It had been feared that the town might be forced to default because of failure of the Province of Ontario to sanction a scheme for refunding the maturity. In 1933 Walkerville arranged with debenture holders to refund $140,000 of housing debentures maturing Dec. 14.

Some important taxpayers, the mayor and the electors of the town are up in arms over the proposal to coerce the municipality into amalgamation with defaulting Windsor, East Windsor and Sandwich in the border cities area.

Taxpayer's Views

One important taxpayer stated to The Financial Post early this week that bondholders are now getting paid, but that if they are thrown into the melting pot of the proposed greater Windsor they may suffer. This man said that the result of amalgamation for Walkerville taxpayers and bondholders might be higher taxes and reduced interest; that the advantage of the town's relatively good position compared with other units in the proposed merger would be nullified.

A Royal Commission of five men is to investigate the affairs of the four municipalities and to make recommendations. In some quarters it has been felt that Walkerville may not suffer unduly, if the commission recommends, and the province arranges, equitable assessments and tax rates in the area. Other opinions have been expressed that Walkerville is "getting hooked," but that it may work out all right in the long run. Still others feel that amalgamation would allow substantial economies for the whole area.

Bond Tenders

Dec. 31, Langham School District, No. 1461, Sask.—$19,500, 5 per cent 8-ins. school bonds. J. G. Stockan, district sec.

5 o'clock, Jan. 9, Grand'Mere, Que.—$77,000, 4½ or 5 per cent, dated Sept. 1, 1934, redeemable serially to Sept. 1, 1964, for local improvements and direct relief. J. E. Dezjel, sec.-treas.

Investment Notes

Significant Investors' Index Numbers

1926 — 100

No. of Securities:	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
	17	6	4	4	10	18	8	87	20	113
1929-33:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	23.7	44.0	30.5	38.6
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
February	114.6	13.6	77.1	153.7	73.3	128.2	148.5	123.8	58.0	88.7
March	113.6	13.2	77.1	152.2	76.3	129.4	141.8	128.5	58.0	90.3
April	114.9	13.2	75.2	159.4	76.8	134.3	138.0	133.0	58.1	93.4
May	106.9	13.8	74.3	159.0	79.1	129.9	113.8	128.0	56.7	91.1
June	104.7	12.5	74.1	161.9	77.7	128.1	113.5	126.1	54.5	89.8
July	97.8	10.5	72.4	153.8	72.7	123.3	86.7	116.6	50.6	83.1
August	100.7	9.9	73.2	158.0	73.1	125.5	91.3	120.1	51.2	85.9
September	98.8	9.6	72.6	160.2	71.9	123.4	93.8	118.8	50.1	85.7
October	107.7	9.8	68.4	169.0	74.4	126.6	89.2	122.0	49.0	87.1
November	111.4	11.0	66.0	180.8	74.3	128.1	98.4	125.3	46.5	87.8
Weekly Figures, 1934:										
December 6	113.2	10.8	70.3	176.0	73.0	133.3	113.5	125.6	47.3	92.2
December 13	115.6	10.7	70.1	177.7	73.7	132.5	110.0	126.5	47.3	92.2

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Dec. 18	100.57	111.42	80.42
Dec. 17	100.43	112.11	80.96
Dec. 15	100.02	113.01	80.90
Dec. 14	99.32	113.10	80.83
Dec. 13	98.68	110.99	80.34
Dec. 12	99.03	110.83	80.19
Month ago	99.33	108.72	77.83
High, 1934	120.12	135.98	116.57
Low, 1934	86.85	100.90	76.54

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Dec. 18	59.1	58.1	58.4
Dec. 17	58.8	58.1	58.3
Dec. 15	58.5	58.2	58.3
Dec. 14	58.4	57.9	58.1
Dec. 13	58.3	57.6	57.9
Dec. 12	58.6	57.5	57.9
Month ago	56.7	56.2	56.4
High, 1934	72.0	65.2	67.4
Low, 1934	56.4	50.1	53.3

Imperial Tobacco Shares

PREFERENCE and ordinary shares of the Imperial Tobacco Co. of Canada have been transferred to the listed industrial section of the Toronto Stock Exchange from the Curb on December 10.

The new listing covers 1,650,000 six per cent cumulative preference shares of £1 sterling ($4.86 2/3) each and 9,451,032 ordinary shares of $5 par value each. At the request of the company, the preference shares will not be called for trading until a later date.

Ford of Canada Moves

INTEREST in Ford of Canada "A" stock continues at a high level. It is one of the leaders on Canadian stock exchanges at a level far exceeding one year ago. For the week ended December 14, 1933, the average weekly price was 14.6. For the week ended December 6, 1934, it was 24.8 and 25 for the week ended December 13. Recent quotations are at about 25½.

This interest has no doubt been stimulated by the fact that the end of the month will see new Ford cars on exhibition. Henry Ford has announced in large advertisements all over this continent that the company is staying by the V-8 engines, that old cars are by no means obsolete and that the new ones base their appeal on greater riding comfort. In the language of the day, the new Ford car gives a front car ride in the rear seat. This certainly adds talking points to sales talks and there is a growing feeling that expectation of the company for 1935 business being larger than 1934 may be realized. The number of Ford shares selling in recent weeks is about twice what the totals were a year ago.

Grain Company Formed

HIRAM Walker & Sons Grain Corp., Ltd., with a capital stock of $50,000 dividend into 500 shares of the par value $100 each, has been incorporated under Dominion laws.

The head office is at the town of Walkerville, which is also the head office of Hiram Walker-Gooderham and Worts and the company is "a private company under the provision of the Companies Act, 1934."

Powers are granted this company to enter every phase of the business as grain growers, as wholesale and retail dealers in grain produce and food products, as grain elevator proprietors, as warehousemen, as store keepers, as millers for cleaning, pitting, grinding and otherwise preparing grains and other produce, and as shippers and forwarders. They are also given the right to carry on business as producers and manufacturers of and dealers in chemicals and natural products of all kinds.

The company is wholly owned by Hiram Walker-Gooderham & Worts, and it is understood its chief function will be to install a dryer and market the line of stock feeds which is a profitable by-product from distillery operations.

* * *

Brewers and Distillers

WITH investors still shying away from stock of Brewers and Distillers of Vancouver, it has fallen to 55c. a share on the market. The high was $2.95 before the United States government arrested former officers on allegations that some of the company's products found their way into American territory during the prohibition period.

Present directors of Brewers and Distillers of Vancouver have informed British shareholders that properties of a value of less than $200,000 are in jeopardy. Though the actual suits are sub judice, the directors also report that American counsel consulted is of the opinion that the ultimate result of the proceedings should be in the company's favor. In any event, the actions are being vigorously defended.

According to opinion of several counsel judgment in United States courts based on a claim for statutory revenues or penalties cannot be successfully pursued in an action in another country. In other words, if there should be a judgment against the company as a result of the present action against the company, that judgment would not be recoverable in Canada.

HAMILTON DAIRIES LOSE OVER $50,000 MILK PRICE WAR

Truce Arranged—Patronage Dividends Question Up to Legislature

Following intervention by the Ontario Milk Control Board a three months truce has been declared by the milk distributors of Hamilton. For over a month an intensive price war has been waged in that city with a direct loss to the three big companies, Silverwood's Dairies, Eastern Dairies and Borden's Hamilton Pure Milk Co. and 16 independent distributors, of over $50,000. Prices were slashed from 11½ cents per quart to around seven.

Three Months Truce

Practically all the companies have agreed to charge 11½ cents during the period of the truce and the decision of the milk board regarding coupons to consumers, which will be announced in a week or ten days, will be accepted as final during the same period. Several companies have been offering the consumer coupons which were the basis of a patronage dividend at the end of certain short periods. This was taken as a cut in price by the other companies which began offering lower prices themselves.

The question of patronage dividends to consumers will be threshed out by the Ontario legislature, but if in the meantime the Milk Board decides against the coupons then these will disappear for the next three months in any case.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Riordon Pulp‡	6%	1942	Dec. 31	105
Metropolitan Bldg.	7%	1944	Jan. 15	103½
Rio de Janeiro Trams, 1st mtg.	5%	1935	Jan. 1	...
Harris Abattoir.	6%	1947	Jan. 1	103
Dom. Textile	6%	1949	Mar. 1	105
Toronto Harbour Comm.	§4½%	....	Mar. 1	105
Nor'western Util.	7%	1938	June 1	105
Jamaica Public Service	5%	1950	Jan. 15	108

Purchase of bonds for sinking fund: ‡ $74,600 § In part.

PLAN NEW TAXES IN ORDER TO MEET MONTREAL DEFICIT

Business, Salaries, Wages to Bear Brunt—$7,000,000 Needed

New and increased taxes are proposed by Mayor Camillien Houde, of Montreal, in order to make up the $7,000,000 deficit in the 1934-35 civic budget. Public utility companies, general business, landlords, advertising, salaries and wages, automobiles and insurance companies are all hit by the proposals.

Following are the sources which will be studied in committee of legislation, with estimated revenue, which totals $8,173,000:

Study Sources

1. Public utility companies: 7½ per cent on the material owned by such companies and located on public property, $993,831.
2. Business tax: Sliding scale with minimum rate of 10 per cent of the annual value of the premises or part thereof occupied for business purposes, $2,599,399.05.
3. Occupancy tax: On dwellings or part thereof not occupied for business purposes and calculated on the annual value; 2 per cent valuation of $200 to $399, and 4 per cent on valuation above $399, $560,000.
4. Permits and licenses: Increase and new special taxes (automobile, etc.), $312,375.
5. Tax on advertising: Newspapers, magazines, radio, showcards, posters, billboards, circulars, signs, etc., 5 per cent, $500,000.
6. Tax on fire insurance companies: 5 per cent on the amount of premiums collected, with a minimum of $500, $187,022.42.
7. Tax on salaries and wages: 1 per cent on persons residing in Montreal and 5 per cent on persons from outside working in Montreal, $3,000,000.

Port Convention

The convention of the Association of Canadian Ports will be held in Vancouver late in September, 1935, according to official advices.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Galt, Ont.	Dec. 15	Dominion Securities	4%	20-yr.	$ 33,275	104.037	3.55%
Orillia, Ont.	Dec. 14	Bell, Gouinlock & Co.	4½%	40-ins.	385,000	103.60	4.09%
Victoriaville, Que.	Dec. 11	Gairdner & Co.	4½%	20-ser.	48,000	98.88	....
Preston, Ont.	Dec. 12	R. A. Daly & Co.	4½% 4½%	10-ins. 5-ins.	8,000 11,000	101.02	....
Kitchener, Ont.	Dec. 13	A. E. Ames & Co.	4¼%	4-year	80,000	102.61	4.34%
Provincial							
Alberta	Dec. 13	Wood, Gundy & Co., Dominion Securities, A. E. Ames & Co., Imperial Bank	4%	1954	$5,000,000	95.127	4.37%
Manitoba	Dec.	Wood, Gundy & Co. and syndicate	4%	15-yr.	3,878,000	96.25	4.34%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date	Offered By	Rate	Due	Amount	Price	Cost
Canadian National Railways	Dec.	Banks and Investment Houses	3%	1950	$20,500,000	99.75	3.02%
Jamaica Public Service	Dec.	Offered in London, England	4½%	1956	£420,000	100.00	....

Bond Sales

C. N. R.

Canadian National Railway Co. has sold $20,500,000 of 16-year, three per cent debentures to a syndicate of 33 banks and investment houses under the management of McLeod, Young, Weir & Co., at 98.75, a cost basis to the railway of about 3.10 per cent. The bonds are offered at 99.75 to yield 3.02 per cent. Bids were as follows:

	Bid
McLeod, Young, Weir & Co.; Bank of N.S.; Bell Gouinlock & Co.; Royal Secs. Corp.; Dominion Bank; Bank of Toronto; Imperial Bank; Banque Can. Natle.; Hanson Bros.; Fry, Mills, Spence & Co.; Nesbitt, Thomson & Co.; McTaggart, Hannaford, Birks & Gordon; Midland Secs. Corp.; R. A. Daly & Co.; Gairdner & Co.; Cochran, Murray & Co.; Griffis, Fairclough & Norsworthy; Harrison & Co.; Matthews & Co.; Dyment, Anderson & Co.;; J. L. Graham & Co.; Mead & Co.; Skaith & Co.; W. C. Pitfield & Co.; Harris, Ramsay & Co.; Collier, Norris & Henderson; Kerrigan, MacTier & Co.; Flemming, Denton & Co.; R. O. Sweezey & Co.; C. H. Burgess & Co.; Drury & Co.; Greenshields & Co.	98.75
A. E. Ames & Co.; Wood, Gundy & Co.; Dominion Securities Corp.; Bank of Montreal;; Can. Bank of Commerce; Royal Bank	97.61

Alberta

Province of Alberta has sold $5,000,000 of 20-year four per cent debentures to a syndicate under the management of Wood, Gundy & Co., at 95.127, a cost basis of about 4.37 per cent. The bonds were offered at 96.65, to yield 4.25 per cent. Bids were as follows:

	Bid
Wood, Gundy & Co.; A. E. Ames & Co.; Dominion Securities Corp.; Imperial Bank	95.127
Royal Secs. Corp.; Nesbitt, Thomson & Co.; Royal Bank; Melady, Sellers & Co.	94.17
McLeod, Young, Weir & Co.; Fry, Mills, Spence & Co.; Bell Gouinlock & Co.; Cochran, Murray & Co.; Griffiths, Fairclough & Norsworthy; Dyment, Anderson & Co.; R. A. Daly & Co.; Matthews & Co.; Harrison & Co.;; J. L. Graham & Co.; Midland Secs.; Fleming, Denton & Co.; Bank of N.S.; Bank of Toronto	93.85

Kitchener

City of Kitchener, Ont., has sold $80,000 of 4¼ per cent, 5-year serial debentures to A. E. Ames & Co. at 102.61, a cost basis to the city of about 3.35 per cent. Bids were as follows:

	Bid
A. E. Ames & Co.	102.61
Angus & Co.	102.519
Cochran, Murray & Co.	102.43
Dominion Bank	102.33
Bell, Gouinlock & Co.	102.32
Wood, Gundy & Co.	102.277
Nesbitt, Thomson & Co.	102.27
Dominion Secs. Corp.; Waterloo Bond Co.	102.137
Royal Securities Corp.	102.03
Midland Securities Corp.	101.925
Rogers, Lynch & Co.	101.81
Hanson Bros.	101.80
R. A. Daly & Co.	101.61
Matthews & Co.	101.517
McTaggart, Hannaford, Birks & Gordon	101.50
Griffis, Fairclough & Norsworthy	101.50
Dyment, Anderson & Co.	101.448
Seagram, Harris & Bricker	101.428
C. H. Burgess & Co.	101.21
J. S. Forgie & Co.	101.00

Rivière du Loup

City of Rivière du Loup, Que., has sold $112,000 of five per cent, 10-year serial debentures to Lucien Côté Inc. The bonds were offered at 100.

Preston

Town of Preston, Ont., has sold $19,000 of 4½ per cent, five and 10-year installment debentures to R. A. Daly & Co. at 101.02. Bids were as follows:

	Bid
R. A. Daly & Co.	101.02
Bell, Gouinlock & Co.	100.80
J. L. Graham & Co.	100.228
Cochran, Murray & Co.	100.00
Dyment, Anderson & Co.	99.75
Harris, MacKeen & Co.	99.53
Draper Dobie & Co.	99.20
C. H. Burgess & Co.	99.053
R. L. MacKay & Co.	98.78

Orillia

Town of Orillia, Ont., has sold $385,000 of 4½ per cent, 20-year serial debentures to Bell, Gouinlock & Co. at 103.60, a cost basis to the town of about 4.09 per cent. Bids were as follows:

	Bid
Bell, Gouinlock & Co.	103.60
A. E. Ames & Co.	102.75
Royal Securities Corp.	101.29
Dyment, Anderson & Co., Matthews & Co., Griffis, Fairclough & Norsworthy, R. A. Daly & Co.	101.25
Midland Securities Corp.	101.17
McLeod, Young, Weir & Co., J. L. Graham & Co.	100.339
C. H. Burgess & Co.	100.21

Galt

City of Galt, Ont., has sold $33,275 of four per cent, 20-year serial debentures to Dominion Securities Corp. at 104.037, a cost basis to the city of about 3.55 per cent. Bids follow:

	Bid
Dominion Securities Corp.	104.037
Matthews & Co.	100.77
Waterloo Bond Co.	100.637
Royal Securities Corp.	100.275
Midland Securities Corp.	100.07
C. H. Burgess & Co.	100.07
R. A. Daly & Co.	100.06
Dyment, Anderson & Co.	99.75
Wood, Gundy & Co.	99.17
Bell, Gouinlock & Co.	98.85

Victoriaville

City of Victoriaville, Que., has sold $48,000 of 4½ per cent, 20-year debentures to Gairdner & Co. at 98.88, a cost basis to the city of about 4.64 per cent. Bids follow:

	Bid
Gairdner & Co.	98.88
L. G. Beaubien & Co.	98.87
Hanson Bros.	98.68
Crédit Anglo-Français	98.327
Garneau, Boulanger & Cie.	98.28
E. Savard Ltée.	98.17
Banque Can. Nationale	98.16
Laflamme & Cie., Dubé, Leblond & Cie.	98.08
P. Gonthier & Cie.	96.41

Westmount Schools

School Commissioners of the City of Westmount, Que., have sold $175,000 of 4½ per cent, 30-year serial debentures to A. E. Ames & Co. and Dominion Securities Corp. at 109.494, a cost basis of about 3.75 per cent. Bids were as follows:

	Bid
A. E. Ames & Co., Dom. Securities Corp.	109.494
Wood, Gundy & Co., McTaggart, Hannaford, Birks & Gordon	106.619
Kippen & Co.	104.4177
Crédit Anglo-Français; McLeod, Young, Weir & Co.	102.059
Hanson Bros.	99.17

Manitoba

Province of Manitoba has placed $3,878,000 of 15-year, four per cent bonds with a syndicate of Wood, Gundy & Co., Dominion Securities Corp., A. E. Ames & Co., The Royal Bank of Canada and The Canadian Bank of Commerce. Offered publicly at 97.79 to yield about 4.20 per cent.

Public Utility Earnings

Canada Northern Power

	1934 $	1933 $	Incr. $
Nov.:			
Gross earn.	371,827	326,034	45,793
Oper. exp.	132,088	97,465	34,623
Net earn.	239,739	228,569	11,170
11 mos. end. Nov. 30:			
Gross earn.	3,791,463	3,351,906	439,557
Oper. exp.	1,296,810	1,006,465	290,345
Net earn.	2,494,653	2,345,441	149,212

Price Spreads Enquiry

Chain Stores Reply to Wages and Short Weight Charges — Presidents Examined

Evidence given before the commission from Dec. 7 to Dec. 14 is summarized in brief below for Post readers.

Says System Wrong

Thrift Stores filed several groups of vouchers showing rebates allowed to managers for damage to goods, breakages, etc., contesting evidence of Mr. Sair, an ex-manager.

James Ilsley, M.P., commenting on the merchandising system, said:

"The way it appears to me is that there must be something inherently wrong with your system, if fifty per cent of managers are showing shortages, and particularly if you are only allowing them $6,800 in commissions out of $25,000 earned. That is one of the most striking facts about your system which puts very, very strong pressure on your managers to short-weight the public, putting it briefly."

Joseph Schafran, vice-president and general manager, blamed the human element for the persistent shortages.

Questioned regarding short-weight, Mr. Schafran said that the weight of produce in almost any nationally advertised, sealed package, if weighed, would be found below the weight printed on the package. Concerning goods packaged in stores, he said, in part:

Food Value Still There

"If you weigh up a pound of prunes it will lose a half an ounce of moisture in two days. And mind you, I want to stress the point, when it is 16 ounces on Tuesday and that pound of prunes has lost half an ounce by Friday, you have not cheated the customer of any food value, the only thing you have lost is water."

William R. Kay, Commission accountant, presented a number of consolidated statements covering groups of chain stores, showing wages, sales, profits, etc. Average wages were shown to be as follows:

Average Wage of Chain Employees

	5 Food Chains Male $	5 Food Chains Female $	2 Drug Chains Male $	2 Drug Chains Female $
Managers	27.96	12.93	40.46	....
Asst. mgrs.	18.44	....	27.47	....
Clerks	12.69	13.21	17.58	15.19
Soda ftn. mgrs.	....	....	21.00	14.63
" clerks	....	....	11.34	12.40
Delivery boys	6.20	....	6.55	....

	4 Variety Chains Male $	4 Variety Chains Female $
Managers	56.34	....
Asst. mgrs.	19.72	....
Clerks	13.11	10.66
Other employees	14.07	13.32

Policy on Shrinkage

W. H. Woodrow, Commission accountant, presented a report on merchandising policy of four food chains in reference to shrinkage. Policy was said to be as follows:

Dominion Stores—System changed Sept. 14, 1934. Prior to that only allowances of one per cent on rice and two per cent on cooking onions. Store now allows two and three per cent on above and allowance on a large number of other items.

Loblaw's—No allowance for shrinkage when goods are shipped but store eventually pays only for merchandise weighed into small containers.

Stop & Shop—Allows two lb. on 90 lb. potatoes. Since Sept., 1934, also allowed 10 cents on 100 lb. sugar and one pound in 25 lb. dried fruits. Short weights on other items are allowed when claimed.

A. & P.—Allows two per cent on rice, two lb. in 120 lb. on white beans, two lb. in 88 lb. new cheese and two lb. in 90 lb. on oatmeal. Allow short weight claims on reweighing of other merchandise.

W. R. Kay presented a statement of wages paid in independent stores in Ottawa, Smith's Falls, etc.:

Wages of Independent Store Employees

	23 Grocery and Meat Male $	23 Grocery and Meat Female $	5 Drug Male $	5 Drug Female $
Managers	....	....	42.50	....
Clerks	17.26	12.10	20.28	11.16
Delivery	11.14	....	6.39	....

Dominion Store Head

Morley Smith, president, Dominion Stores, said reason for higher mark-up in recent years was due to reduction in price of goods. Thus, handling charges remained the same for butter at 50 or 20 cents. Figures indicating an increase in gross profits on sales were meaningless.

Policy of company was to give gross weight in weighing into manila bags at the store and net weight from the warehouse. Manila bags weighed less than one half an ounce, starting at one-ninth of an ounce for a one-lb. bag. No check on short weight due to shrinkage on shelves was in operation.

Suggested changes were needed in Weights and Measures Act.

Complained that investigation of independent stores weights and wages had not been sufficiently complete to allow of comparison.

Price cutting was described as the chief evil in the grocery business, common to both chains and independents.

Stop & Shop

R. H. Hommel, president, Stop & Shop, favored standard hours of employment, minimum wages for men as well as women, elimination of loss leaders and standardization of packages and unification of standards.

Could not explain large proportion of short weights as checked by inspectors. Definitely against policy of company. Company was introducing a daily check on store scales.

Believed in higher wages but felt that movement must include chains and independents. Higher wages would make cost of merchandise higher to the consumer, however.

A. & P. Toronto

Harold Berkstresser, general manager, Toronto division, A. & P., said company allowed shortage claims on re-weighing and has a long schedule of goods on which stores are allowed shrinkage.

Although not all goods sold were exact weight, customers on average received what they paid for. Company made periodical check of goods in stores as check on weights. Check of independents showed short weights in some cases but never a deliberate attempt to do so.

Thought wages compared favorably with those in other grocery stores. Would welcome opportunity to increase them if others acted at same time.

A. & P. Montreal

L. W. Beebe, manager, Montreal division, A. & P., did not know why company operated stores in Montreal area when a loss was being shown except in hope that better times would bring profits. Consumer was getting the benefit of this loss.

Low wages paid were prevailing labor rates in the area, in fact better than the average. Would naturally like to be able to pay higher wages. Felt any change in wage levels would have to affect not only the retail trade but manufacturing, etc.

W. M. Hodgson, president, Thrift Stores, admitted proposing payment of a dividend of $10,000 following a wage cut which netted $8,000.

Evidence given before commission was the first time he had heard of short weights from Thrift Stores.

Champions Wholesaler

Archie Foster, president, National Grocers, said only Leader and Red and White stores were forced to buy from National. Only hold over them was that National could refuse use of name. Advertising of leaders by chains made competition difficult.

Claimed wholesale house had real place in merchandising, in serving small stores. Operating costs were small, cited one wholesale house operating on an average of 6 per cent of sales.

Quoted wages paid in independents connected in voluntary chain. Much higher than figures given for chains by commission auditors.

Leslie J. Harrington, manager for Canada, Woolworth Co., said 77 per cent of goods sold were purchased in Canada. Check on wages paid in Quebec about a year ago resulted in general increase there. Wages now being paid were in accordance with local conditions and minimum wage regulations.

Opposed to loss leaders, had not used any for the past two years. Only purchased goods which allowed a fair profit to manufacturer.

All executives of Canadian company are Canadians with one exception, a young man.

Price Change Difficulties

J. E. Hearst, comptroller, Kresge's, said buying has been better than in earlier years. It was sometimes difficult to pass lower prices on to consumer as it entailed changing goods from one price class to another. When prices went up, however, the reverse was the case.

Wages paid conformed with the minimum wage laws in all provinces. Everyone was ready to stop loss leaders if others do. Approximately 86 per cent of purchases were made in Canada.

P. P. Banninga, merchandising manager, and **J. H. Unger,** treasurer, Metropolitan Stores, explained the large proportion of part-time help by the fact that about half their business was done on Friday and Saturday. It would be impossible to carry the necessary help for these two days through the whole week.

Part-time employee system had authority of Minimum Wage Board. Could not compare wages paid in chain with those of specialized independent, as employees of latter had to be much more skilled.

Alex Schneiderman, president, United 5c. to $1, allows shrinkage of 2½ per cent, after that, amount is charged to manager. Said employees were obtained as cheaply as possible. Rates of 7 and 10 cents an hour were quoted.

Case For Chains

J. G. Johnston, secretary, Canadian Chain Store Association, presented a brief attacking many of statements made by previous witnesses and claiming chain stores had given consumer lower prices, better quality merchandise and better service than independents.

Reduce Costs—Chains were cheaper form of merchandising as they eliminated the middleman. Average wholesaler operated on 12 per cent profit basis, chain warehouses were able to operate at about half this. Had forced remaining wholesalers to operate for less.

Lower Prices—Test purchase in chain and independent stores showed price was 12 per cent lower in chains, 2 per cent if leaders omitted. But efficient independent can survive. Quoted a number of independents which had been able to increase business during past few years by adopting chain system of merchandising and display.

Paid Local Taxes

Local Taxes—Claimed chains paid as much if not more in taxes than independents in small towns, and kept the money in that town as much as the latter. Hit parochialism as trade deterrent.

Loss Leaders—Said loss leader merchandising was dated to before advent of chain store. But chains would be glad of any agreement which could eliminate it.

Effect on Producers—Statements made that chains injured producers were false. On the other hand, chains, by being able to take large quantities of merchandise and give widespread publicity to new products were a help. As far as primary producers were concerned, said purchases of livestock, butter, etc., were welcomed by farmers. Said fewer bankrupt stocks had disorganized markets since chain stores came into existence.

Mark-up — Explained increased mark-up by necessity of paying fixed charges while prices were declining.

Advertising—Believed definite descriptions of goods in retail advertising would be advantageous. Chains would welcome any such law.

Rebates—Special rebates received by chains were almost entirely offset by extra merchandising and advertising effort on these goods. Independent benefitted from demand created.

Price Maintenance Impossible

Price Maintenance—Felt price maintenance was impossible. Had proved a failure where attempted.

Wage Rates—Scales of wages were not out of line with those prevailing elsewhere. Some chains were paying more than average. Admitted clerks were not being paid enough, however. Blamed prevailing labor market. Would welcome higher wage scale for all.

Store Hours—Agreed store hours were too long, but said independents had always kept long hours. Said chains had tended to shorten existing hours.

Short Weight — Implication that short weight was more prevalent in chain stores than in independents was unfair. Own check had shown that both chain and independent were as bad.

Canadian National Railway Company
16-YEAR 3% GUARANTEED BONDS
Unconditionally guaranteed by the DOMINION OF CANADA
Principal and interest payable in lawful money of the Dominion of Canada
PRICE: 99.75 and accrued interest to yield 3.02%
HANSON BROS.
INCORPORATED
Founded 1883
330 Bay Street, TORONTO
255 St. James Street, MONTREAL. 56 Sparks Street, OTTAWA.
73

No Decision Yet Re Wpg. Elec. 5's Falling Due Jan. 2

Interest in the Winnipeg Electric Co. reorganization plans centres for the moment on the fact that $3,029,000 5 per cent first mortgage bonds still outstanding fall due on January 2, 1935. No decision has as yet been made as to whether or not principal amount will be met and paid off at maturity. A Montreal dispatch says that the company has insufficient funds to meet this maturity and expresses the opinion that payment will not be arranged for because of delay in completing the plan for reorganization of the whole group. It is expected, however, that interest will be met at each due date until reorganization plans are ready.

Non-payment of principal is not certain, however. The Financial Post understands that in other circles close to the company it is expected that arrangements will be made shortly for meeting the principal.

Obituary

William H. Legge, for 18 years vice-president and general manager of the Warren Bituminous Paving Co. died at Toronto on Dec. 16, 1934.

Horace W. Cole, a partner in Puddington & Cole, Ltd., Saint John, N.B., died at Sussex, N.B., on Dec. 10, 1934, in his 73rd year.

Charles Osborne, Wickenden, architect, died in Vancouver recently.

WANTED
YORK TOWNSHIP BONDS
A. J. PATTISON Jr. & CO. Ltd.
Established 1907
Royal Bank — EL. 5101
TORONTO

A CHRISTMAS GIFT
BERGER'S HYGIENIC LAMP
La Lampe Hygiénique de Berger de Paris.
It Is Most Useful and Ornamental
Absorbs the smoke of tobacco, removes all odors of cooking, renovates the air in the premises, indispensable for the sick room.
Liquid Berger specially prepared for Berger's Lamp at $1.25 per 16 oz. Bottle.
Priced from $2.25 to $75.00
Sales and Showrooms
137-139 St. Paul St. West
Tel. LAncaster 4443

THE KING OF JAZZ
Returns
PAUL
WHITEMAN
IN PERSON

With his Court for a Special 5-Day
HOLIDAY ENGAGEMENT
DECEMBER 28th — JANUARY 1st
at the
MOUNT ROYAL HOTEL
DINE AND DANCE
WITH THESE BROADWAY STARS
The Full Whiteman 30-piece Orchestra
RAMONA - PEGGY HEALY - GOLDIE - BOB LAWRENCE
JACK FULTON - THE KING'S MEN - JACK TEAGARDEN
MIKE PINGATORE
Dinner Dance, Friday (December 28th) - - - $2.00 plus tax
Supper Dance, Friday (December 28th) - $1.50 Couvert Charge
Dinner Dance, Saturday (December 29th) - - - $2.00 plus tax
Supper Dance, Saturday (December 29th) - $2.00 Couvert Charge
Sunday Dinner Concert (December 30th) 7 P.M. $2.50 plus tax
New Year's Eve Celebration - - - - - - - $8.50 plus tax
New Year's Breakfast (in the Main Restaurant) - $1.25 plus tax
New Year's Dinner (in the Piazza) (Jan. 1st) - $2.50 plus tax
New Year's Supper and Farewell (Jan. 1st) $2.00 Couvert Charge
Dinner tables must be vacated at 9 p.m.
Supper Dance commences at 10.30 p.m.
For Reservations Telephone Maitre d'Hôtel
MOUNT ROYAL HOTEL
PLATEAU 7777

The Financial Post

Member Audit Bureau of Circulations

Editor—FLOYD S. CHALMERS

Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of Any Canadian Financial Paper

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. inspection.

ADVERTISING RATES

Single insertion—$3.64 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Ave., Toronto 2

Chairman of the Board—JOHN BAYNE MACLEAN

President—HORACE T. HUNTER

Vice-President and General Manager—
H. VICTOR TYRRELL

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.

GREAT BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W.1; E. J. Dodd, Director. Telegraphic Address, Atabek. Lesquare, London.

THE FINANCIAL POST BUSINESS YEAR BOOK, Yearly, $2.

THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, Yearly, $2.

THE FINANCIAL POST SURVEY OF MINES. Yearly, $2.

THE FINANCIAL POST RECORD OF PROSPECTUSES, Half Yearly, $7 per volume.

THE FINANCIAL POST CORPORATION SERVICE, $20 monthly. Special prices for selected part service.

DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, DECEMBER 22, 1934

OTTAWA'S POWER LIMITED ON BUSINESS PRACTICES

RECENT exchanges between Hon. C. H. Cahan and Hon. H. H. Stevens on the vexed question of Parliament's jurisdiction over hours of labor, wages and regulation of business deserve careful study.

Mr. Stevens declares for radical reform legislation at the forthcoming session to remove the unethical business practices so clearly revealed by the Price Spreads enquiry. Confronted by the contention that Parliament lacks jurisdiction to legislate on these matters he sweeps the constitutionalists into the discard. He regards them as reactionaries, using the British North America Act as a screen to hide their opposition to reform.

On the other hand, Mr. Cahan has directed his attention to the judgments delivered by our own Supreme Court and the Privy Council on constitutional cases which have arisen in the past. He declares that judicial rulings prove that Parliament lacks authority to legislate with respect to management of particular trades, with regard to production, prices or profits. Moreover, he asserts that Parliament cannot invade the field of contracts, wages or hours of labor.

On the record, Mr. Cahan's argument appears unanswerable. He cites, in particular, three cases. The Privy Council, in 1919, ruled the Combines and Fair Prices and the Board of Commerce Acts ultra vires of Parliament. These Acts, he declares, sought to deal with problems which, in principle, are very similar to those revealed by the Price Spreads Enquiry. In those days, the problem was to curb high prices and profiteering: the interest of consumers was predominant. Today much the same problem appears in the reverse.

His third citation is the judgment of the Supreme Court of Canada in the eight-hour day submission. In 1919, the Government of Canada entered into an international convention to restrict hours of labor to eight hours per day. Despite sincere efforts, succeeding governments were unable to ratify the convention. Finally, in 1925, the King ministry asked the Supreme Court of Canada to decide if Parliament was competent to enforce the eight-hour day. The unanimous decision was that this power was vested in the provinces and the Dominion could go no farther than the regulation of hours of labor of Federal employees.

The moral of this controversy is plain. Business has as much right to be protected from the impracticable, visionary panaceas of emotional politicians as from unfair competitive practices. The great majority of employers will be glad to co-operate in keeping business honest. But if Mr. Cahan is right and power over business resides with the provincial legislatures, business has every right to expect the Government to abstain from legislation which can only throw the industrial and distributional activities of the country into chaos. To enact legislation, to attempt to enforce it while litigation is proceeding in the courts, and then to have it thrown into the discard by the courts would be distinctly injurious to every interest of labor and capital. If the Dominion Government proposes reform legislation, public interest demands that it be submitted to the courts in advance of enforcement.

But there is no reason why Ottawa should not endeavor to effect a redistribution of powers in order that it might later deal with these matters.

SHOULD FINALLY WIND UP C. G. M. M. FOLLY

IN FOUR years—1918-1922—the Dominion Government, to the accompaniment of resounding cheers from Socialists and from people, otherwise sensible, who were led to believe that a greater, more prosperous Canada awaited the death agonies of the iniquitous North Atlantic steamship combine, set out to place the state-owned shipping ensign of the Dominion on every trade route of the seven seas.

Today, the ardent advocates of the Canadian Government Merchant Marine have miraculously vanished and while glib-tongued reformers identify other dragons to be slain, the taxpayers may survey the shreds and tatters of the once proud fleet and count the cost.

The C.G.M.M. started as a war-time venture but never launched a boat until after the armistice. It developed as a merchant marine fleet in peace-time.

In 1922, some 65 ships comprised the fleet. In 1918 and 1919 a book profit was shown. Since 1922, deficits have been the rule and succeeding years have seen more and more of the ships sold as unfit for service. They cost $191 per deadweight ton to build: the last sales in 1933 netted the company from 66 cents to $4.20 per deadweight ton. The original capital investment of some $78,000,000 has been greatly swollen by an unbroken succession of losses—insufficient profit to meet interest charges due the Government and straight operating losses.

The eleven ships remaining are sailing the Vancouver-Australia route. The much vaunted C.G.M.M. house flag has disappeared from other trade routes. And these eleven ships will be due for the scrapyard in less than two years.

Ottawa dispatches are to the effect that the Government is now considering whether to build more ships or ensure a suitable service by subsidy to private companies. It is to be hoped that the lesson of the past 16 years will have been learned and that, whatever else the Government may do, more shipbuilding will be avoided.

As for the taxpayer, he may now appraise the result. Practically all of the initial capital outlay has been irretrievably lost. More than that, the annual deficits have had to be paid out of government revenue, increasing the cost to approximately $120,000,000. This money has been either taken out of the taxpayers' pockets as revenues or it has been borrowed from investors. One way or the other, the folly of the C.G.M.M. will be perpetuated forever.

WHO WILL WAG THE DOG?

SAYS The Maritime Advocate, published at Sackville, N.B.:

"The Financial Post delights to throw financial mud at the Canadian National Railways. It never misses an opportunity to stress the allegation that the C.N.R. is drifting toward bankruptcy. Again The Post is travelling true to form. Hundreds of its readers and backers hold C.P.R. stock. Naturally these holders of C.P.R. securities want to see an amalgamation of the two railways in order to save their bacon. You can't blame C.P.R. shareholders, but it is for the people of Canada to say whether or not one small class is to impose its wishes on every other class; whether the dog shall wag the tail or the tail the dog."

Only a small proportion of readers of The Financial Post hold C.P.R. stock. But every reader of The Post living in Canada holds C.N.R. stock and has endorsed C.N.R. bonds. It is for them The Post speaks.

The problem is not that the C.N.R. is drifting toward bankruptcy. It is already bankrupt. The thing to worry about is that Canada itself is drifting toward bankruptcy, impelled by the tide of C.N.R. losses.

The tail that will ultimately wag the Canadian dog is our creditors at home and abroad. The day is not far distant when we shall not be able to borrow without undertaking to solve the railway problem. Then, when we face a crisis such as Great Britain and Australia have already faced, we shall have to ignore the petty arguments of newspapers that refuse to face the facts but attempt to divert attention from them by cheap accusations of bad faith in others.

TALL PROMISES

THE Edmonton Bulletin points out that the St. Lawrence waterway will cost Canada possibly $400,000,000 and will add nothing to our present volume of commerce, which is not big enough to keep our railways and seaports busy. This is a fair summary of the St. Lawrence waterway picture.

The Bulletin wants a small portion of the money that might otherwise be invested in the waterway to be used to complete a line of railway from the present end of steel in the Peace River country through to Finlay Forks. It would, says the Bulletin, cost something less than $10,000,000, open up territory offering homes and opportunity to not less than 1,000,000 people, increase the production of the nation by not less than $1,000,000,000 per year, and create much traffic for both railway systems.

There are some tall promises here. If the extension of the Peace River Railway would accomplish this, then private capital is overlooking an amazing opportunity for profit. The Peace River railway is owned jointly by the Canadian National and the Canadian Pacific. It would be interesting to know if Mr. Beatty and Judge Fullerton agree with this optimistic forecast.

To have this railway, it isn't necessary to spend any government money at all. It would only be necessary to grant a franchise to a new company in which perhaps the C. P. R. and the C. N. R. could have an interest. And if no group can be found to take on the construction of the line, then it can be taken very well for granted that the thing has no economic prospects.

Most governmental expenditures on railways, etc., are undertaken under the promise of fabulous profits such as those mentioned by the Bulletin. Likewise, most governmental railway undertakings produce more losses than profits.

PROBLEMS OF THE CHAINS

HAVING criticized Mr. Stevens for prejudging individuals and firms before the Business Practices Committee, The Financial Post has no intention of expressing any final comment on the evidence regarding certain specific chain stores until that evidence is complete.

But certain general comments are in order and one thought that suggests itself is that efficiency is not necessarily a concomitant of size in business. Apparently, in many chain stores, managers carried on practices that were quite unknown to the executive heads of the companies. The larger the chain became, the greater the number of their units, the more they reached out to establish small stores which at best could afford only the cheapest type of management,—the greater were the difficulties of exercising rigid control over each unit.

When chain store development was at its peak in Canada, The Financial Post expressed the opinion that eventually the chains would run up against certain problems. Among those cited were, first, the fact that chains were establishing stores so rapidly that they would be bound in time to be competing against each other for business instead of competing only against independent merchants. Another problem that was forecast was that the independents would learn to do business at lower costs and thus be able to compete better against the chains. Both of these things have happened and apparently other things have happened as well; such as the loss of personalized service in the chains and the loss of rigid control of the many units.

These problems must be solved by the chain stores. It may be that the evidence brought out at Ottawa will help them although most of the steps they will take in the solution of these problems are likely to improve relatively the competitive position of the independents.

NATURAL BUSINESS YEAR

CHARTERED accountants would level out their work throughout the year to a greater extent if they could induce corporations to end their fiscal years at dates more suitable than the December 31 date now utilized by 64 per cent of Canadian corporations.

Possibly the "Canadian Chartered Accountants" organ of the various institutes of C. A.'s throughout Canada, is thinking primarily of the problems of auditors when it urges business firms to adopt the natural year. But in this case what would be in the interests of the accountants would be in the interests of the companies as well.

The time that should be chosen by a company to close its fiscal year is that period in its particular industry or trade when inventory is at its lowest point, accounts receivable have been largely liquidated and accounts payable reduced.

The natural business year for a milling company is not the natural business year of a retail firm, nor of a pulp and paper manufacturing company. There is nothing in Canadian company law or income tax procedure to make it difficult for a company to close its fiscal year at any date it likes. Often a date is fixed in the letters of incorporation and lawyers, in forming and incorporating companies, might well pay due regard to this natural business year of the company to be formed.

The suggestion made by the chartered accountants is a sound one and worthy of consideration by every executive in its application to his company.

A BANK'S BEST APPEAL FOR DEPOSITS

HERE is a bank just opening a new branch on a very important city street corner. In addition to the name, the show window advertises the capitalization.

One of the most important appeals for bank advertising should be to secure more accounts, to get savings deposits or the accounts of young men starting in business. To these persons big capitalization appeals as big finance, which they do not understand. All these people want is stability and reputation. Hence, is not the age or the date of establishment a stronger and more readily understood appeal to them? And next, that the bank has, say, over 350,000 depositors and deposits of so many millions of dollars?

Banks are probably the least understood and most misrepresented of any of our commercial and industrial undertakings. The big men at the head of banks are so engrossed in great affairs that they overlook the education of the masses to their services.

Let us take one bank as an example. The Bank of Nova Scotia's best appeal to money-savers and young business men is that it has been well managed by the canny Nova Scotians who have directed its affairs from its beginnings.

Post-Scripts

REMAINS of a four-ton grist mill, taken into the Cariboo country in 1890 by Senator Reid, were brought from Quesnel to Vancouver the other day. For thirty years, until 1920, this mill supplied the flour wants of the residents of the Cariboo.

Senator Reid had the mill taken into Quesnel when that district was in the throes of a boom. It cost him seven cents a pound or $560 to have the machinery transported over the old Cariboo road by mule power.

* * *

THE movies provide for young men who are good at pretending to be something they are not, pleasant, easy, "cushy" jobs. Even when strenuous parts come, all they have to do is to pretend to be strenuous.

A fine example of how soft and pleasant a job modern "play-acting" may be is provided by John Loder who, as part of the recent filming of "Lorna Doone," had a "fight" down at Exmoor with Carver Doone (Roy Emerton) recently. He acted so well in this fight that next day he felt a pain in his side which increased and was diagnosed by a doctor as "two broken ribs."

After he was well strapped and bandaged, he had to go back to London to take a "dressing down" from Gregory Ratoff, in his other film "Eighteen Minutes." Here Gregory furnished some more realistic acting by breaking a chair over John's head and heaving him through a window. It was good acting but not very soothing to tender ribs. On top of that, six burly Doones decided to give him another "doing."

One wonders how many of these jobs in the movies are open to young men desiring easy jobs at good pay.

Sayings of the Week

"Freedom is not very dear to the proletariat." —*General Jan C. Smuts.*

* * *

"What goes on in the capital isn't of any importance."—*Henry Ford.*

* * *

"Drinking milk has made me a cabinet minister."—*Rt. Hon. Walter Elliot.*

* * *

"The economic problem is not too difficult to solve."—*Prof. J. M. Keynes.*

* * *

"Economic facts are sometimes more powerful than economic theories."—*A. D. Noyes.*

* * *

"I tried to run the United States, but they wouldn't let me."—*Mayor LaGuardia, New York.*

* * *

"Being serious or angry about things that don't matter is the mark of the Puritan."—*G. K. Chesterton.*

* * *

"Every writer needs a secretary with brains, for all writers are dumb-bells." — *Joseph Hergesheimer.*

* * *

"When public issues go beyond the understanding of voters, Democracy begins to decay."—*W. H. Moore, M.P.*

* * *

"If one had to choose between being a bigot and a simpleton, I would choose to be a simpleton."—*Basil King.*

* * *

"I am not sure that talk of the imminence of war is always a contribution to the preservation of peace."—*Sir John Simon.*

* * *

"There has never been more to hate than now —what with newspapers, films, Communists, and Fascists."—*Lord David Cecil.*

* * *

"A cheap man is always expensive; a high-priced man can be a very reasonable investment."—*J. Allan Ross, Toronto.*

* * *

"Dollar bills constitute a continuous referendum on capitalism."—*Professor Gilbert E. Jackson, of the University of Toronto.*

* * *

"It is not certain that if the rich bred faster than the poor the race would acquire greater innate ability."—*Professor J. B. S. Haldane.*

* * *

"Life does not come all in one piece like a cheese. It resembles more linked sausages — a series of events all in a string." — *Harold Bell Wright.*

* * *

"Social reform cannot make permanent progress over a prostrate business structure."—*George H. Houston, president of the Baldwin Locomotive Works.*

* * *

"I regret more than words can express the necessity for telling the bare facts of our blood-stained stagger to victory." — *David Lloyd George.*

* * *

"The primary and responsible influences in the religious education of children should of course be the family and the church."—*Dr. Nicholas Murray Butler.*

* * *

"We have mentioned the evils of slavery and the drug traffic and how slowly and how hard they died. Their defenses were as nothing to the defenses of the war profiteers."—*Colonel A. T. Thomson.*

* * *

"When governments pass legislation providing jail sentences for those who sell the product of their own toil in the open market, one does not easily reconcile the procedure with one's impression of co-operation."—*W. H. Moore, M.P.*

* * *

"The United States is like a boy eighteen years old, possessed of excellent health and a strong body, but so unsettled in his mind and feelings that he does not know what to do next."—*U. S. Secretary of Agriculture, Henry A. Wallace.*

* * *

"The real question is not whether the capitalist system is going to survive. It has survived and it is going to survive, not as a mummy, but as an order in human affairs which is always changing because it is so very much alive."—*Walter Lippmann.*

The World at Large

Secession in Australia

Western State Wants to Withdraw From Commonwealth and Raises Constitutional Problem

BY JOHN A. STEVENSON

There has been at recurring intervals vociferous talk in our Prairie Provinces and Nova Scotia about secession from Confederation. But it has never even approached the stage of definite and well-planned moves to put the idea into practice such as have been taken by Western Australia, the youngest but territorially the largest of the six states of the Australian Commonwealth. At present there is actually in London a fully accredited delegation of four representatives of the state, headed by Sir Hal Colebatch, its resident Agent-General in Britain. They have been commissioned to present to the King and both Houses of the British Parliament a petition from the Government, Parliament and people of Western Australia, praying that the state may be released from the Australian Commonwealth and restored to its former status as a self-governing colony under the British Crown.

The grievances, which have led to this drastic move, are long standing and acute. They have been embodied in a lengthy memorandum, entitled "The Case for Secession." It has been circulated freely in Britain. It would be fully intelligible in our prairie country.

Separated by Geography

Western Australia is geographically isolated from the rest of the Commonwealth and its huge terrain is very sparsely settled with a population of about 350,000, composed mainly of agriculturists and miners. There are only two sizable urban centres, Perth and Freemantle. Industrial development is slight. As a result, the state derives scant benefit from the high tariff system maintained by successive Commonwealth Governments for the benefit of the industries of Eastern Australia. Its primary producers complain that they are handicapped in export markets by a resulting onerous increase in their costs of production.

"The Case for Secession" asserts that the disabilities peculiar to Western Australia have their primary origin in its isolation but spring immediately out of two fundamental provisions of the Australian constitution. First is the requirement that the Commonwealth shall impose uniform duties of customs and excise without any discrimination between the states. The second is the requirement that trade and intercourse between the states shall be absolutely free. Complaint is made of the consequences of these requirements under a settled fiscal policy of high protection.

Royal Commission

When a secessionist movement first showed its head in 1924, the Commonwealth Government of the day appointed a Royal Commission to investigate the disabilities of Western Australia under Federation and a majority of the Commission found "that whatever benefit the Commonwealth protectionist policy may have conferred upon other states, it has not benefitted the state of Western Australia; that it is impossible to give the primary producers of Western Australia relief by way of reduced customs duties without injuring the secondary industries of the Eastern states."

Secession as Remedy

It recommended that for a period of not less than 25 years Western Australia should be given the right to impose a special local scale of customs and excise duties. But this recommendation was calmly ignored by the very Government which had appointed the Commission. Successive demands for its implementation, made by West Australian members of the Federal Parliament, have been rejected. So, when no redress was forthcoming, the idea that there was only one remedy for the state's disabilities — namely secession — steadily gathered adherents after 1925. So strong a body did they become that they forced a state referendum on the subject. The voters were given the alternative of marking their ballots either for secession or for a convention to discuss the problem and they gave a large majority in favor of secession. Thereupon the state legislature which is controlled by the Labor party, passed a "Secession Act" and voted funds for the expense of the delegation which was chosen to go to London.

British Are Canny

The British Government has so far not made any official reply to the petition but it is highly improbable that it will do anything but return a polite negative and explain that the problem of the secession of an Australian state is now quite outside its jurisdiction. It will point out firstly that, when people of Western Australia in 1900 voted by two to one in favor of Federation on the basis of the Constitution previously accepted by the Eastern States, they agreed to join "one indissoluble Federal Commonwealth" and also accepted a provision that the Constitution should not be altered except by a specified procedure. Under this, any proposed change must be endorsed by an absolute majority of both Houses of the Commonwealth Parliament and ratified at a referendum by the majority of voters in a majority of states, which must also provide a majority of all the electors voting.

Furthermore, the interpretation of Constitution and the determination of the jurisdiction and powers of the Commonwealth and states are placed in the hands of the Federal High Court from whose decisions on such questions there can only be an appeal to the Privy Council on a certificate of the High Court itself.

Act Can Be Amended

To the argument that the British Government and the British Parliament cannot take any part in the dispute or intervene in any way in the domestic affairs of the Commonwealth, the Western Australians retort that the Commonwealth was created and its Constitution formulated by an Act of the British Parliament and that this Act can be repealed or amended by the Parliament which passed it and the delegation has fortified itself on this point with the legal opinion of Professor J. H. Morgan, Professor of Constitutional Law in the University of London to the effect that the British Parliament has not only the necessary legislative competence in the matter but that the matter is one within the exclusive prerogative of that Parliament.

This contention will in turn be met by a reminder that however tenable that legal theory might have been prior to the passage of the Statute of Westminster, it could not hold water today because the British Parliament is no longer an Imperial Parliament in any sense; that by the Statute of Westminster it renounced, in so many words, all rights to legislate for any Dominion except at the request and by the consent of the Government and Parliament of that Dominion.

No Authority

The British Government will firmly hold that it has no authority to alter the present Constitution of Australia except at the request of the Commonwealth Parliament. It will probably advise Western Australia to make common cause with South Australia and Tasmania where there is likewise serious dissatisfaction with the results of Federation in an effort to come to terms with the other states about tariff and other policies.

The Times, moreover, points out that if Western Australia seceded, the gold mining area of the state would certainly demand reinclusion in the Commonwealth and it suggests that the problems involved should be discussed at round table conferences with some impartial and experienced outsider acting as referee.

As Others See Us

Fewer Legislatures

Brantford Expositor

Recent figures in The Financial Post contained the record of the legislators per head of population in varous countries. Japan ranks lowest with one for each 78,275 and Canada highest with one for each 11,778. In Great Britain the showing is one for 33,907. This Dominion has far too many Legislatures. They could be reduced in number and also halved in their numerical size without causing any harm whatsoever.

A Champion of the Provinces

L'Ordre (Montreal)

The Financial Post is right in demanding a simplification of our governmental machinery, but is wrong in speaking of what it is pleased to call the ambition of the provincial parliaments in arrogating to themselves new powers and imposing new taxation. A certain political regionalism is indispensable in Canada, and it is not the provinces' governments but the Federal authorities which exceed their legitimate powers by encroaching upon provincial attributions by appropriating revenues from direct taxation, the right to levy which is reserved to the provinces by the Constitution and by passing social legislation which is likewise beyond its constitutional powers.

Too Many Law-makers

Brockville Recorder-Times

The Financial Post which urges reduction in the legislative strength of Canada, produces interesting evidence in support of its contention that this country has altogether too many law-makers.

It is not exactly fair to judge Canadian legislative representation solely on the basis of its relationship to population. The factor of extent, of distance, is one which enters very intimately into the question, and which cannot be ignored. At the same time, it is probably true that some of our legislative bodies could be reduced in strength without the efficiency of government being impaired, and what has been done in Ontario in this direction may yet be also done in other parts of the Dominion.

Canada First

Halifax Herald

Noting the campaign to rehabilitate the port trade of Portland, Maine, two influential Canadian newspapers, the Montreal Gazette and the Toronto Financial Post, issue plain and definite warnings that this must not be accomplished at the expense of the legitimate trade of Canadian ports.

The Financial Post reminds the Canadian authorities of an essential and dominating fact, viz., that "the Canadian National-Canadian Pacific Railway Act makes it legally mandatory upon Canadian railways to ship through Canadian ports."

Here is evidence, not only of a desire to protect Canadian trade, but to see that justice is done Maritime Canadian ports in this important particular. It is, moreover, evidence of a better, more friendly, more understanding attitude on the part of Central Canada toward this part of the Dominion. And it goes without saying that what Maritime ports have secured in increased trade in recent years will be held and enlarged.

Other People's Views

Babson's Prophecies

J.Butterfield in Vancouver Province

The ineffable Roger Babson—who has been rather quiet of late—has once more answered the urge to prophesy and says that nothing can stop the tide of prosperity from flowing in and that the decks are cleared for big business. He made a chart and spoke of a recurring boom period to bolster up his predictions.

That is what is wrong with Babson and the school of economics he represents. What on earth do we want with two boom years—probably followed by another depression? This kind of economics is so fallacious that even Babson—who is its high priest—has prophesied wrong about a dozen times within the memory of living people. We want a kind of economics that no one can prophesy wrongly about, because it will be based on truth and its results definite.

If Babson's prosperity is just around the corner, I definitely hope it is going the other way.

"Stop Me If You Have Heard This One"

A Negro was endeavoring to make clear to a friend just what constitutes oratory. "I will elucidate," he said. "If you say black am white dat am foolish. But if you says black am white an' bellers like a bull, an' pounds de table with both fists, dat am oratory!"

Why Taxes Are High

Regina Leader-Post

We take the following, pertaining to the multiplicity of officialdom society continues to put up with in these difficult times, from the Calgary Herald:

"It required two years for an investigator to compile the number of local governments in the United States. The count, just completed by Professor Anderson, of the University of Minnesota, provides a total of 175,418. It includes 127,000 school districts, 20,000 townships, 16,000 incorporated cities or villages, 3,000 counties, and 8,600 miscellaneous sewer districts, park districts, levee districts, mosquito abatement districts, and so forth, each with a payroll and the power to levy taxes.

"This is characterized by Business Week as an 'intolerably wasteful set-up,' and the language does not appear too strong. One of the troubles with most nations today is the difficulty of maintaining an army of officials created when times were good and taxpayers were indifferent. There is overlapping in official effort. Civil services are needlessly large, with the result that thousands are living at the expense of the taxpayers who should be struck off the lists. The maintenance of several groups of agricultural experts to instruct prairie farmers, when one could do all the work necessary, is a Canadian example of inefficiency. A simplification of government machinery, in the interests of economy is overdue in this and many other countries."

The argument has been advanced in Canada that we might well have not only fewer provinces, but fewer municipal districts, fewer school districts, etc., with a view to cutting down governmental overhead and restoring taxes to a more reasonable figure. The situation in the United States that has been outlined appears strange enough, but perhaps Canadians can throw no stones. For a country of only a little over 10,000,000 people, our administration costs appear heavy enough.

Percentage Figures Mixed

Canadian Grocer

It is evident from reading the evidence given by the Royal Commission auditors at Ottawa that they do not understand just how retail percentages should be calculated. In some cases, for instance, they present figures showing gross and net profits on "cost" only, and yet expenses are invariably figured on "sales."

Merchants have, of course, long since become accustomed to figure everything on the sales basis—this is the only proper method—so it makes it difficult to co-ordinate the various figures. It is to be hoped that when the next investigation is held—if and when—the official auditors will know how to figure properly.

Regardless of the Amount

Whether the amount to be invested is large or small, clients of this firm are assured of careful and courteous attention to their requirements.

A complete investment service is available at any of our Branches

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Vancouver Victoria New York London, Eng.

NOTWITHSTANDING

that experience has proven failure to make a Will one of the greatest mistakes a property owner can make many neglect this duty. If you have no Will there is a possibility of trouble and loss for your heirs which you can prevent by taking proper precaution now. Consult your Lawyer and our Estates Department. He will draw your Will—we will act as Executor and Trustee.

MONTREAL TRUST COMPANY
Head Office . . . . Montreal
Western Offices:
WINNIPEG — EDMONTON — VANCOUVER
Toronto Office, 61 Yonge St.
J. F. HOBKIRK, Manager

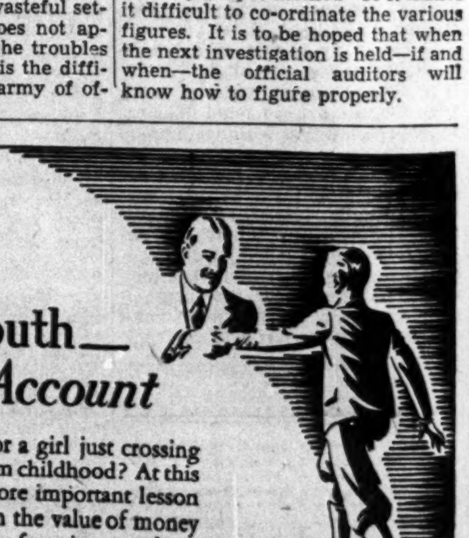
MONTREAL TRUST COMPANY
YOUR PROTECTION

INVESTMENT SECURITIES

W. C. PITFIELD & COMPANY
LIMITED
235 ST. JAMES STREET WEST
MONTREAL

TORONTO
OTTAWA
QUEBEC
SAINT JOHN
MONCTON
HALIFAX
VANCOUVER
LONDON, ENG.

G. S. HOLMESTED
Licensed Trustee in Bankruptcy
Liquidator, Receiver, Etc.
McKINNON BUILDING - TORONTO, ONT.



A Gift to Youth—
a Savings Account

Have you a boy or a girl just crossing the borderline from childhood? At this age there is no more important lesson than instruction in the value of money and the wisdom of saving—and no better way of imparting this knowledge than through a savings account.

Any branch of Imperial Bank of Canada will be pleased to open an account in the name of your boy or girl so that you may present the pass-book at Christmas.

47

IMPERIAL BANK OF CANADA
HEAD OFFICE: - TORONTO
Capital and Reserves: $15,000,000
BRANCHES THROUGHOUT CANADA

The Week in Business

More Purchasing Power

EARLY reports on Christmas business from many parts of the Dominion agree that there has been a considerable increase in buying in evidence. Increases ranging from 10 to 40 per cent are reported for many types of stores.

Confirming these reports of increased purchasing power, The Financial Post this week estimates that the gross value of agricultural production this year was 16 per cent ahead of 1933. Much of this increase is accounted for by the gain in the value of field crops. Demand in the United States for feed grains, an item which is usually deducted in arriving at net value of production, seems likely to make the gain in the net figure even greater than that of the gross.

* * *

Slight Business Decline

THE business level in November, as judged by The Financial Post business index, suffered in comparison with last year due to the fact that a year ago production failed to show the usual seasonable halt. This year, slow movement of wheat to export markets, comparative quietness in automobile factories and primary iron plants and early completion of fruit and vegetable packing resulted in a decline in the index as compared with the previous month. The decline is not severe, however, and with more favorable financial factors and better business generally, need not be regarded too pessimistically.

* * *

B.C. Business

THE general trend of reports on November business in British Columbia continues more or less favorable in spite of the absence of cold weather which has prevented retailers from making the expected increases, according to the current trade letter of the Vancouver Board of Trade. Wholesale distributors of groceries and food products report a steady volume and expect an increase in demand with the approach of the holiday season. Prices of retail groceries show a noticeable upward trend of late months.

Continuing, the report states, in part, as follows:

"Pilchard fish and meal oil operators have enjoyed a good season. Generally speaking the men engaged in fishing fared better this year than in 1933. Salmon trollers possibly earned more than other classes of fishermen; halibut next and salmon gill netters.

"The lumber situation showed little change during the month. Prices are low for manufactured and raw materials, together with some falling off in export shipments."

* * *

Christmas Toys

AN INCREASING number of the toys distributed at this time of the year are marked "Made-in-Canada," but many come from other lands, chiefly Britain, Germany, the United States and Japan, says the National Revenue Review of Ottawa. During the past fiscal year toy imports, including dolls, were valued at $1,065,342, and in the previous fiscal year at $1,208,584. Imports from Germany totalled $420,124, from the U.S. $299,325, from Japan $171,816, from the United Kingdom $143,918, from Czechoslovakia $17,929 and from France $5,659.

In the bulging pack of Santa Claus this Christmas Eve, for distribution to Canadian boys and girls, dolls will, as in other years, be the most important single item. In Canada alone over two million dolls are made in a single year, the factory price of which aggregate about $312,000. In addition to the home-made product Canada imports large numbers of these toys, such imports during the past year totalling $114,568, and in the previous year $130,815. Germany is the most popular doll maker as far as Canadian children go. German dolls entering this country in 1933-34 totalled in value $74.747. Dolls from Japan were valued at $27,403; from the United States $9,912, and from the United Kingdom. $1,133.

Business Conditions in Canada

FORD PRICES MAY BE LOWER CARS BIGGER

Company Looks for Gain in Canadian Sales in 1935

DEALERS GET CARS

By Staff Editor

EAST WINDSOR.—While refusing to commit himself concerning expected volume for 1935, Wallace R. Campbell, president and general manager of Ford of Canada, told The Financial Post he was optimistic for increased sales next year. "We confidently expect a greater market for automobiles in Canada," he said, "and believe Ford will share in this increased market."

Ford's 1934 production programme was completed about a month ago and the plant has since been busy preparing for the new models. Earlier, it was believed that the initial showing of the 1935 line in Canada would be made early in December. December 29 has now been set for the initial showing.

Bigger Cars

Details of the new Fords which have been released indicate that the 1935 cars will feature more advanced streamlining and slightly larger bodies. Ford is also planning production of a 12 cylinder Lincoln to compete with the planned smaller Packard, it is said.

A few engine refinements are expected in the 1935 cars but the V-8 engine will be basically that of 1934. "We have not learned to build a better one," Mr. Ford stated recently. Among the new refinements are copper-lead connecting rod bearings and a new type of crankcase ventilation.

Front Seat Ride

Most of the improvements concern the riding qualities of the car, it is announced. The rear seat has been brought forward in front of the rear axle, giving what is described as "a front seat ride for rear seat passengers."

There is a persistent rumor that prices will be lower. This is substantiated by the statement made by Henry Ford in a recent advertisement. Mr. Ford states: "It is entirely probable that some of our prices will be lower than in 1934. We want them lower."

Production at the factory here has been going on for some weeks although the total number of completed cars is small to date. First cars off the line have been shipped to the Pacific Coast and intermediate points are now being supplied with models. In common with the other large manufacturers, Ford this year is making a determined effort to have models in all dealers' showrooms before public announcement is made. By the time the announcement is made it is expected that production will be sufficient to assure prompt delivery.

Good Export Business

Ford's export business this year has been excellent, according to Mr. Campbell. South Africa has actually had the best year in its history, he said. He credited this to the increased value of gold. Prospects in this field look even better for 1935.

The importance of this export business in levelling out the sales peak was commented on by Mr. Campbell. Most of Ford of Canada's export business is with southern hemisphere countries where the summer season coincides with the slack months in Canada. South Africa, Australia and New Zealand are the chief markets.

POTENTIAL MART MANY PRODUCTS SEEN IN COLOMBIA

Debit Trade Balance Now Large — Wheat Chief Export

Colombia is seen as a country having definite opportunities for Canadian exporters in the current issue of the Royal Bank monthly letter. In the past twelve months, it is pointed out, Canada imported from Colombia products valued at $5,700,000 while exporting only $629,000 to that country.

Wheat has always been Canada's chief export to Colombia but free export of this commodity has been hindered in recent years by a high protective tariff. Only a portion of the central highlands of the country is practical for wheat-growing and poor transportation facilities make distribution difficult. It is thought, therefore, that the high tariff may react in favor of Canada in making importation of high quality wheat imperative, and that the poor transportation facilities force import of almost the usual amount.

In a long list of other products imported from Canada, the following are most important: rubber goods, chiefly tires; automobiles; milk products; cordage and rope; newsprint; machinery and chemicals.

The general situation in Colombia has shown substantial gains during the first nine months of 1934. Commenting on this improvement, the letter states in part, as follows:

"Business confidence has been restored by the settlement of the international dispute over Leticia, construction activity has been at high levels and factories manufacturing consumers' goods have been operating at capacity. The volume of output and exports of coffee, bananas, platinum and petroleum have shown noteworthy increases, and gold mining has again become an important factor in the national economy. The Banco de la Republica purchases all gold produced at prices regulated by the foreign exchange value of the Colombian peso, which has recently shown considerable appreciation.

"Foreign exchange transactions are still under the jurisdiction of an Exchange Control Board, but there have been no large blocked deposits, such as have existed in other countries. Remittances for current obligations are being made promptly and payments due prior to September, 1931, are being made in instalments."

Government, Municipal and Corporation Bonds

List of offerings, or current quotations on any issues, furnished promptly on request.

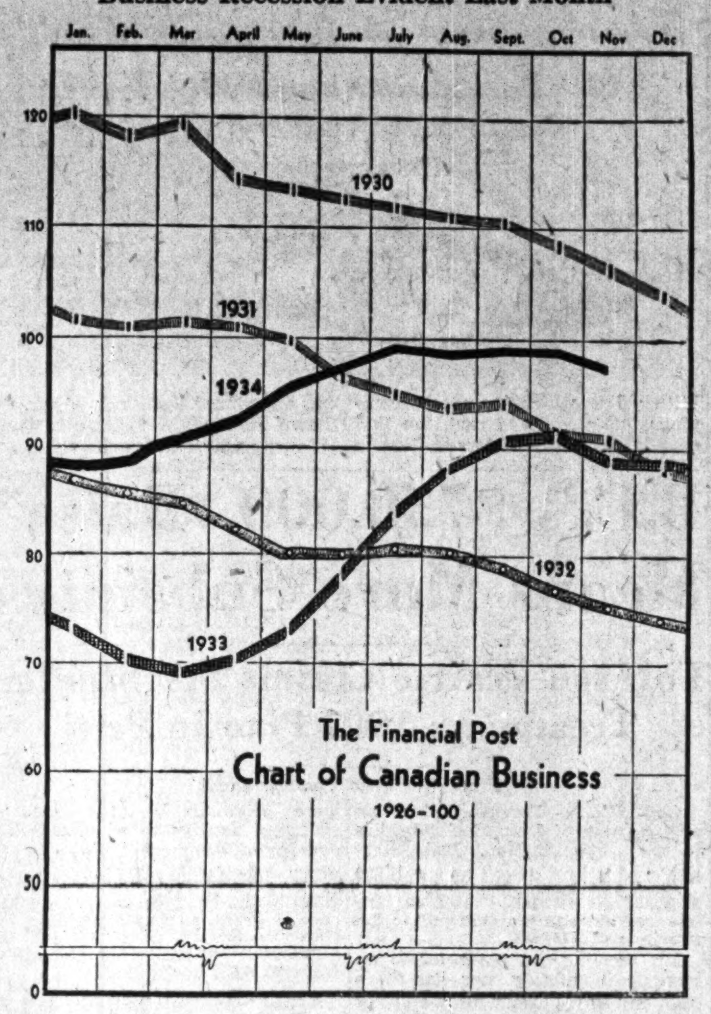
Royal Securities Corporation
Limited

244 St. James Street
MONTREAL

330 Bay Street
TORONTO 2

Halifax, Saint John, Quebec, Ottawa, Winnipeg, Vancouver, Charlottetown, Hamilton, Calgary, St. John's, Nfld., New York, London.

Business Recession Evident Last Month



Business operations recorded marked betterment in 1934 over the levels of the preceding year. Mineral production on a volume basis and electric power output not only exceeded 1933 but reached new high levels for the period of observation. Construction showed a large percentage gain, but has much farther to go before it may be said that the prosperity of the industry has returned. Referring to the trend in November, the preliminary index records recession from October, but it is anticipated that final returns will improve the reading. The present standing is 97.4 compared with 99.0 in October. Copper exports, newsprint production and merchandise imports were among the factors which brightened the picture of business activity in November.

Business Level in 1934 12 Per Cent Above 1933

November Business Records Slight Decline as Measured by The Financial Post Business Index — Mineral Production Remains High

By SYDNEY B. SMITH

Business operations shared fully in the economic recovery of Canada during 1934. Despite the marked advance subsequent to the first quarter of 1933, further expansion was shown in the first seven months of the year now drawing to a close. In the later part of 1934, a period of consolidation made its appearance. A promontory was established which, measured by The Financial Post index, was about 12 p.c. above the level of the beginning of the year and more than 40 p.c. higher than in March, 1933, when the minimum of the depression was reached.

In recent months the level of business operations has been higher than at any time since the early part of 1931, two years of decline having been counterbalanced by the marked recovery of the last 20 months. Few observers realize that the standing of 1926 has been nearly regained and that nearly one half of the decline from the levels of 1929 to 1933 was offset by the recent expansion.

Canada Ranks High

Measured by indices of industrial production for 16 principal countries published in the monthly bulletin of the League of Nations, Canada stands in the front rank in regard to the extent of the recovery in the latest month compared with the lowest point of 1933. Canada's gain in the average of the available months of 1934 over the same months of 1933 was only surpassed by that of one other country.

The expansion of business operations in Canada during 1934 was buttressed by striking developments in the financial background. The leading feature was the advance in high-grade bonds to the maximum point since the pre-war period. Considerable gain in bond prices had been shown in 1932 and 1933, but the advance in 1934 was better sustained and more rapid. The average yield on four Dominion Government refunding bonds was 3.67 p.c. in November, compared with 4.55 in the same month of 1933, and further price advances were recorded in December bringing the yield down to about 3.50 p.c.

Prices Stable

Wholesale prices were relatively stable in 1934 at a level somewhat higher than prevalent in the preceding year. While the high point of common stock prices reached in April was not equalled in the remainder of the year, the gain in the average over 1933 was substantial.

Reverting to a consideration of the trend of business operations, it is noted that mineral production and general manufactures shared in the expansion over 1933, the gain in the average of these indices being nearly 20 p.c. Owing to the inactivity of the construction industry in 1933, the percentage gain in the new business obtained was large. This does not obscure the fact that the industry is still operating at a low level despite the public works programme.

The output of the electric power industry reached a new high point in history. A feature of the economic betterment of the year was the gain in external trade even when placed on a volume basis. Carloadings in the first 48 weeks showed a gain of 14.5 p.c. over the same period of 1933.

November Business

Copper exports in November featured the records indicating the trend of mineral production, the outward shipments being 45,540,500 pounds, compared with 28,780,000 in October. The November movement was a new high point for the period of observation and prices averaged slightly higher than in the preceding month. Nickel exports showed recession, the total being 7,538,100 pounds compared with 9,307,500. The exports of zinc also dropped off from the high point of October. A gain was shown in the outward shipments of silver and prices were at a more satisfactory level. The index of asbestos exports moved up from 58.5 to 61.9.

The food industries practically maintained their production at the level of the preceding month, the index being 96.5 compared with 96.6. The flour milling industry was less active after seasonal adjustment. Sugar production was a bright spot, the index being 136.8 compared with 107.0. Hog slaughterings were heavier at 289,000 head compared with 230,000. Cattle and sheep were slaughtered in lesser volume. Cheese exports were 14,198,200 pounds compared with 15,029,000, while canned salmon showed decline.

Forestry Active

The forestry group continued active, the index moving up from 100.3 to 104.1. Newsprint production participated in the expansion, the total being 240,869 tons compared with 235,021. A gain was shown in the export of lumber, the index being 60.7 compared with 57.2. Declines were shown in exports of woodpulp and shingles.

The primary iron and steel industry was less active, the output of steel ingots being 57,050 tons compared with 57,975 and pig iron showing a drop of 7,605 tons. Motor car production was at a low point in November, the total output being 1,697 cars and trucks.

Construction Higher

The index of construction contract awards was 48.9 in November compared with 43.4 in October and the index of building permits moved up from 24.7 to 28.7. The decline in contract awards and in permits was less than normal for the season.

The freight movement was 182,810 cars, compared with 242,868 in October, the adjusted decline being 17 p.c. Imports occupied the limelight in November, the total moving up contrary to seasonal tendencies. The index advanced from 78.2 to 85.3 the total being $49,900,000 compared with $47,200,000. The trend of exports was adverse, a decline being shown as opposed to the gain called for by seasonal considerations. The total was $65,700,000 compared with $68,300,000.

Most World Price Indices Declined Last Month

Prevalence of price declines among vegetable and textile products caused wholesale price indices in many world countries to decline in October. Animal products averaged higher in most countries.

The official index of the United States dropped 1.4 per cent, the first decline it has registered since April. This series is still 7.4 per cent above that of a year ago, while the official Canadian index has risen but 5.2 per cent in that period.

Behavior of wholesale prices during the past year has been far from uniform. Index movements have varied from advances of the magnitude noted for Canada and the United States, to declines of 10 per cent for France and nearly 13 per cent for Czechoslovakia.

Business Briefs

Car Loadings in the week ended Dec. 8 numbered 43,418 cars, as against 39,601 cars in 1933 and 45,515 cars in the previous week.

Pig Iron Production in November totalled 38,968 long tons as against 29,592 tons a year ago and 46,573 tons in October.

Steel Output in November was 57,050 tons against 57,985 in October and 43,000 tons a year ago.

4 POPULAR MAKES SHARE 75 PER CENT CANADIAN MARKET

Chevrolet Leading Seller in Eastern Canada in 1934

Close of the 1934 automobile season in Eastern Canada sees Chevrolet again listed as the leading make of car sold in the area, according to an analysis made by The Financial Post of figures compiled by Might's Directories and published in Canadian Automotive Trade. Ford is in second place with about ten per cent fewer sales. Between them these two makes account for almost exactly 50 per cent of total sales.

Plymouth and Dodge almost share third place, the former having a slight lead due chiefly to heavier sales in Nova Scotia, the total between them being approximately that recorded by both Chevrolet and Ford. The cheapest cars of the three leading manufacturers, in 1934, thus divided almost 75 per cent of the total market between them.

Ford's Big Gain

Compared with a year ago, chiefly numerical gain is made by Ford, while Plymouth is shown to have made the largest percentage advance of the four leaders. This percentage gain, however, is overshadowed by Oldsmobile, sales of which have more than tripled, and Studebaker with more than double the sales of last year.

Sales in November numbered 1,338 as against 968 in November, 1933. Leaders were in much the same order as for the year as a whole. Sales of the ten leading makes are shown in the following table:

Automobile Sales in Eastern Canada

Leading Makes:	Nov. 1934	Nov. 1933	1st 11 mos. 1934	1st 11 mos. 1933
Chevrolet	342	234	12,380	9,194
Ford	314	243	10,999	6,652
Plymouth	125	89	5,036	2,977
Dodge	113	103	4,869	3,323
Pontiac	85	56	1,892	2,244
Buick	68	58	1,915	1,553
Oldsmobile	65	24	2,369	709
Terraplane	45	39	1,518	1,003
Chrysler	42	18	1,414	968
Studebaker	29	32	861	367

Sales By Provinces

Two-thirds of the sales made in Eastern Canada during the year took place in Ontario, the compilation shows. Of the 46,244 sales recorded in the first eleven months of this year, 31,620 took place in that province. Sales by provinces are shown in the following table:

Sales By Provinces

	Nov. 1934	Nov. 1933	1st 11 mos. 1934	1st 11 mos. 1933
Ontario	815	752	31,620	22,510
Quebec	199	156	9,755	6,729
New Brunswick	49	14	1,523	793
Nova Scotia	269	46	3,050	1,709
P. E. Island	6	..	296	163
	1,338	968	46,244	31,904

Jamaica Likely Market for Canadian Footwear

In consequence of tariff legislation enacted in Jamaica last June, better opportunities are offered for the sale of Canadian leather boots and shoes in that colony, according to F. W. Fraser, Canadian Trade Commissioner there.

That the demand is considerable is shown by the fact that imports during the nine months ended Sept. 30, 1934, amounted to 41,760 dozen pairs, of which only 102 dozen pairs came from Canada.

Bankruptcies Decline; Liabilities Lower

A decrease in the number of assignments under the Bankruptcy and Winding Up Acts was recorded in October as compared with October, 1933, while the liabilities of the assignors showed a slight increase. Commercial failures numbered 130, as compared with 144 in the same month of the previous year, and 113 in September, 1934. The estimated liabilities of the assignors, amounting to $2,261,500 as compared with $2,321,926 in October, 1933, showed a decrease; when compared with $1,628,426 in September, 1934, an increase is observed.

The cumulative total of commercial failures for the first ten months of 1934 was 1,289 as compared with 1,729, 1,995 and 1,807 for the same periods of 1933, 1932 and 1931 respectively. The defaulted liabilities for the first ten months of 1934 were $20,075,961, as compared with $28,669,253, $34,506,706 and $45,260,019 for the same periods of the three preceding years. Thus defaulted liabilities showed a considerable decrease in the 1934 period as compared with the same periods of any of the three preceding years.

Agricultural Revenue Up 16 p.c. Over 1933

Big Increase in Value of Field Crops Chief Factor

A gain of over 16 per cent in gross agricultural revenue in Canada in 1934 over the previous year is indicated by an estimate made by The Financial Post. The gain is almost entirely accounted for by a 26 per cent increase in the value of field crops, shown by the preliminary estimate of the Dominion Bureau of Statistics. Slight increases in the value of farm animals and dairy products are also indicated.

It should be noted that a gain of 16 per cent in gross revenue means a considerably greater advance in net revenue, or the amount received by farmers. In arriving at net revenue, deductions are made for grain retained for seed and feed and unmerchantable grain. Due to the demand in the United States for grain of No. 6 and lower grades, this latter deduction will be small in 1934.

Preliminary Estimate

The preliminary estimate of gross revenue is shown in the following table:

Gross Agricultural Revenue

	1934* $	1933 $
Field crops	536,499,000	423,597,000
Farm animals	95,000,000	89,063,000
Wool	2,000,000	2,000,000
Dairy products	180,000,000	167,488,000
Fruit & vegetables	27,000,000	31,700,000
Poultry & eggs	32,500,000	35,880,000
Fur farming	4,200,000	3,535,000
Maple products	3,047,000	2,059,000
Tobacco	7,000,000	6,370,000
Flax fibre	150,000	159,000
Clover & grass seed	750,000	1,362,000
Honey	2,000,000	1,707,000
	890,146,000	764,920,000

*Estimated by The Financial Post with the exception of field crops which is the preliminary Dominion Bureau of Statistics figure.

Wheat Chief Gainer

Field Crops—The value set for field crops is dependent on the maintenance of the present wheat price through the new year. Wheat is the most important individual item in field crops revenue, accounting for approximately 30 per cent of the total. Other grains account for a further 30 per cent, with oats the chief individual type. Hay and clover rank higher than usual in 1934 owing to considerably enhanced value due to drought in both Canada and the United States.

Farm Animals — Regarding the revenue derived from farm animals sold alive and slaughtered, the livestock market branch of the Department of Agriculture states that cattle marketings are far ahead of last year. Hog marketings, however, are down 200,000 head. Lambs are down but not seriously. The demand from Britain for bacon has resulted in hog prices holding up well. Compared with a year ago, prices on the whole are fairly satisfactory.

Wool—Last year's wool clip was estimated at 19,206,000 lb., valued at $2,000,000. This year it is figured that there will be about 21,000,000 lb. of wool. Prices have not yet been determined but are slightly lower on the average than a year ago.

Milk Production Down

Dairy Products—The amount of milk produced last year was a little over 16,000,000 lb., which was a slight gain over 1932. The value for all milk products was $167,488,000 or about $1 per cwt. for whole milk. For 1934, milk prices have been much better, contract milk selling as high as $1.70 in local markets, although cheese factories have been paying as low as 70 cents to farmers. Production for 1934 has been somewhat down so far due to dry weather year and scarcity of pasture. Late rains, however, have greatly improved the situation.

Fruit—Production in Canada during 1934 was less than last year. The apple crop was estimated at 3,596,600 bbls., as against 5,329,800 bbls. The reduction in the crop this year was accounted for largely by the destruction of fruit in Ontario caused by the severe 1932-33 winter. Grapes, another important crop, has been placed at 37,700,000 lb., as against 42,230,000 in 1933.

Total value of fruits and vegetables last year was $31,700,000. This year, at Montreal, B.C., MacIntosh apples are selling at $2.10 to $2.20 per box. Last year's average value was about $1.95 per bbl. for all commercial apples, while this year the price will likely be higher when all returns are in. The value of grapes worked out at about two cents per pound last year, while for 1934, wholesale prices are about 2 to 2½ cents per pound to growers.

Maple Products Gain

Poultry and Eggs — There were 210,585,000 dozen eggs produced in 1933, the value being $26,345,000, or an average of 12 cents per dozen. For 1934, the department of agriculture states that egg prices in Eastern Canada are about on a par with last year, but somewhat lower in the West. This year's stocks are heavier than last year.

Maple Products — Production is mainly in Ontario, Quebec, Nova Scotia and New Brunswick. The value this year is estimated at $3,046,650 as compared with $2,059,341, in 1933. The average price per gallon of syrup was $1.34 in 1934, and $1.24 last year. In Ontario, prices were $1.80 in 1934 and $1.73 in 1933. The average price per pound for maple sugar was 12 cents in 1934 and 9 cents in 1933.

Tobacco Prices Better

Tobacco — The tobacco crop for last year (revised figures) is estimated at 44,873,160 lb., with a total value of about $6,370,000 for the four main types. This year's figure is preliminarily estimated at 30,120,000 lb. Prices are not yet available as the crop has not been all sold, but an increase of 20 to 25 per cent over last is expected.

Clover and Grass Seed—Production of clover and grass seed in 1934 is considerably below the 1933 level. Prices paid to growers, however, were slightly higher on the average than in 1933.

Honey—A gain in honey production in every province for 1934 as compared with the previous year is indicated by preliminary estimates. Prices averaged about 6 cents per pound for dark and 10 to 12 cents for light honey this year.

Plan Nfld. Exhibit At British Industrial Fair

Newfoundland will be represented at the British Industries Fair in London next year as in the past, it was decided at a recent meeting of the Commission of Government. Members of the trade have undertaken to provide suitable exhibits.

It is reported that a committee of representatives of the Newfoundland trade in London will co-operate with the Trade Commissioner in arranging a suitable display.

Value of Fish Catch Gains on Both Coasts

Returns to fishermen from sea fish landings in October amounted to $1,089,500 as compared with $840,900 in October a year ago. Gain in value was recorded for all five provinces although the amount landed was smaller in Nova Scotia and New Brunswick.

Of the total for the month, $742,255 was accounted for by British Columbia, Nova Scotia being next with $147,785.

Business Indicators Of Canada . . . *Compiled by The Financial Post*

▲ Denotes new figures this week.

	WEEKLY DATA — Latest — 1934	1933	— Cumulative Total — Jan. 1 to date 1934	1933
Transportation—				
Car loadings (Dec. 8)	▲43,418	39,601	2,206,121	1,928,099
C.P.R. gross earn. (Dec. 14)	$ ▲2,397,000	$ 2,303,000	$ 119,843,000	$ 107,230,000
C.N.R. gross earn. (Dec. 14)	$ ▲2,882,893	$ 2,816,146	$ 157,292,855	$ 137,574,674
Business Conditions—				
Business failures (No.) (Dec. 8)	▲28	39	1,362	2,055
Weekly index D.B.S. (Dec. 8)	▲97.1	81.8	......	......
MONTHLY DATA				
Business Conditions—				
Financial Post index* (Oct.)	99.0	91.3	....	....
Transportation—				
C.P.R. net earnings (Oct.)	$ 4,100,679	$ 4,058,447	$ 17,770,786	$ 14,029,898
C.N.R. net revenue (Oct.)	$ 2,809,429	$ 2,542,586	$ 9,951,934	$ 3,449,958
Iron and Steel (November)—				
Pig iron production (tons)	▲38,968	29,592	364,631	190,464
Steel ingot and castings prod., (tons)	▲57,050	43,100	700,187	358,424
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (October)	1,946	1,606	58,183	37,779
Factory output (October)	2,125	2,723	89,152	50,181
Trucks and Buses:				
Domestic sales* (October)	696	496	10,498	5,271
Factory output (October)	1,655	959	23,309	10,190
Exports (October)	3,778	2,952	41,197	17,457
Construction—				
Building permits (November)	$ ▲2,601,418	$ 1,624,138	$ 24,326,224	$ 19,793,204
Contracts awarded (Nov.)	$ 10,451,500	$ 10,637,200	$ 119,749,300	$ 89,082,200
Newsprint (tons)—				
Production (November)	▲240,869	193,718	2,358,098	1,833,722
Exports (November)	▲221,553	162,292	2,154,378	1,652,462
Sugar (lbs.)—				
Melting & shipments§	▲59,114,346	94,458,214	748,456,751	732,568,448
Manufactured§	▲105,306,254	139,000,893	819,790,114	824,909,160
Flour (bbls.)—				
Production (October)	▲1,654,189	1,650,557	11,903,026	12,052,234
Wheat flour exports (Nov.)	▲504,384	547,602	4,712,981	5,152,241
Trade (November)—				
Imports	$ ▲49,960,565	$ 43,711,559	$ 474,438,661	$ 365,846,758
Exports	$ ▲65,124,512	$ 60,384,590	$ 592,036,457	$ 480,821,123
Wheat exports (bush.) (Nov.)	▲18,769,770	23,143,958	150,576,859	174,510,898
Employment (Nov. 1) D.B.S. Index—				
All industries	97.0	88.4	....	....
Manufacturing	91.0	85.6	....	....
Electric Power Output (October)—				
Total monthly (000's omitted)	1,853,388	1,617,608	17,135,312	14,142,752
Aver. daily	59,787,000	52,181,000	....	....
Other Industrial Indices—				
Lumbering:				
Plank & board exports mill (November)	▲120,558	102,777	1,267,360	918,337
Boot & shoe prod., pr. (Oct.)	▲1,782,172	1,833,771	16,005,689	16,905,234
Crude petrol., imp. gal. (Oct.)	110,637,902	91,713,858	903,635,015	697,660,975
Cotton imports, lbs (Oct.)	▲9,179,000	12,228,000	106,396,000	80,837,000
Raw rubber imp., lbs. (Oct.)	6,816,973	5,779,781	53,808,637	34,419,232
Coal imports, tons (Oct.)	1,560,763	1,204,927	11,363,801	9,139,725
Finance—				
Bank debits† (October)	$ 3,409,900	$ 2,823,000	$ 26,734,318	$ 24,631,717
Bond sales (November)	$ ▲4,843,475	$ 3,567,340	$ 604,980,695	$ 528,915,433
Life insurance sales (Nov.)	$ ▲35,863,000	$ 34,185,000	$ 342,023,000	$ 328,555,000
Automobile Financing—				
Used cars (October)	$ 1,075,374	$ 663,722	$ 12,228,635	$ 9,154,966
New cars (October)	$ 930,492	$ 688,736	$ 15,314,175	$ 9,262,200

*D.B.S. All-Canada figure comprising over 90% of the Canadian total. †000's omitted. §For 4 weeks to December 1. *Final.

THERE ARE ADVANTAGES
join the Ely circle
ELY LIMITED
Clothier & Furnisher
Three stores in Toronto

Commodity Prices

LITTLE definite movement was in evidence in commodity markets during the past week with the exception of softness in the latter part of the week on grain exchanges. Further losses were recorded at Winnipeg on Monday and resulted in the gain of ten days ago being wiped out.

Commercial markets were stronger than for some time, both cattle and hog prices making advances at the beginning of this week. High butter stocks and lack of exports continue to depress this commodity.

	Latest week	Previous week	Same week last yr.
Cattle, cwt.	$7.00	$5.50	$5.50
Copper, lb.	.09	.09	.08¼
Cotton, lb.	.1280	.1270	.1010
Rubber, lb.	.1290	.1306	.0869
Sugar, raw, lb.	.0283	.0297½	.0319
Silk, lb.	1.40	1.36	1.47½
Wheat (Man.) bus.	.78¼	.79⅝	.58⅞
Coffee, lb.	.09¼	.09⅜	.08⅛
Hogs	8.70	8.50	7.00
Weekly Indices			
N. Y. Annalist	117.4	117.4	103.8
Fishers'	78.6	78.7	†63.6
N. Y. Journal of Comm.	77.0	77.3	...
Crumps (Brit.)	64.3	84.3	†63.4
U. S. Labor	76.5	76.3	70.7
Canada (D.B.S.)	71.4	71.2	71.2

† Average, 1933.

Monthly Indices	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.)			
Retail (Nov.)	79.4	79.3	77.8
W'sale (Nov.)	71.2	71.4	68.9
U. S. Labor (Oct.)	76.5	77.6	71.2
Gt. Brit. (Oct.)	70.3	71.0	69.2

Note: Indices on all base 1926 — 100, except N. Y. Annalist which is 1913 — 100. British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W. Pt. A. basis: hides—heavy native steers; coffee—Rio No. 7, spot, New York; hogs—select bacons, Toronto.

Deer Pk. Manor Pays Coupon December 22

Coupon No. 17, due June 1, 1934, on the 7 per cent first mortgage bonds of Deer Park Manor, Toronto, will be paid on Dec. 22, according to Stewart Scully Co.

All current loans and accounts and property taxes have been provided for, it is stated, and rentals are reported slightly higher than a year ago. The original issue of bonds amounted to bond $150,000 and this has been reduced to $144,000.

Poultry Profitable

A. R. Jones, manager of the Maritime Co-operative Egg & Poultry Exchange, at Saint John, states that for the last two years poultry has been one of the most profitable lines on the farm.

JOHN D. GILMOUR
(B.Sc.A., B.Sc.F., Toronto)
CONSULTING
FOREST ENGINEER
QUEBEC, P.Q.

Member Executive, Pacific Logging Congress; Member of Canadian Society Forest Engineers, Quebec Association of Forest Engineers, Senior Member Society of American Foresters.

Long experience in organization and management of large pulpwood-logging operations. Available for any logging or timberland problems.

PROTECT YOUR CAR WITH
HOT-SHOT
The New Alcohol ANTI-FREEZE

HOT-SHOT has no corrosive action on any part of the Cooling System, and it also retards evaporation. HOT-SHOT is to anti-freeze what Ethyl is to gasoline—it is protective, economical and efficient.

A fifty-fifty solution (one-half HOT-SHOT and one-half water) will protect your radiator to 30° below zero, at a cost of less than one cent a day for the entire winter season.

Manufactured Exclusively by
GOODERHAM & WORTS LIMITED — TORONTO

JACK FROST ANTI-FREEZE ALCOHOL
is also available this Season at most first-class garages and filling stations. This well-known product is prepared according to a Government formula, and gives sure and safe protection to your radiator.
GW-13

COTTON
FABRICS & YARNS
. . .
Basic raw materials for many Canadian Industries.
. . .
DOMINION TEXTILE
Company Limited
MONTREAL TORONTO HAMILTON WINNIPEG VANCOUVER

THE HOUSE
OF HOSPITALITY
A Modern
Fireproof Hotel
of 350 Rooms
Rates: $2.00, $2.50, $3.00
Double Rooms: $4.50, $5.00
MAIN DINING ROOM
Club Breakfasts 25c to 60c
Lunch 60c to 75c
Dinner $1.00
COFFEE SHOP
•
HOTEL LONDON
LONDON, ONT.
Manager: H. F. Struckett

An Outstanding
NEW YORK HOTEL
The DELMONICO, exceptionally well-located for both business and social interests . . . An unexcelled residence for the day, week or month.
Single Rooms from $4 per day
Double Rooms from $6 per day
Suites from $8 per day
DELMONICO RESTAURANT
INTERNATIONALLY FAMOUS
HOTEL
DELMONICO
Park Avenue at 59th
NEW YORK
UNDER RELIANCE DIRECTION

Winnipeg's Newest Hotel
The Marlborough
In the Heart of the City
Fireproof Construction
European Plan
Rates in Keeping with the Times
220 Rooms

Canadian Pacific Express
Travellers Cheques
Are World Currency
Carry them on your next trip and be assured of travel comfort.
Get them from any agent of the
Canadian Pacific & most Banks

Cement Producers

Five concerns in the Maritimes—three in New Brunswick and two in Nova Scotia—were engaged in the cement products industry last year, with a combined output valued at $12,832.

...and in Hamilton
telegraph me at the
Royal
Connaught

LEADERS in business . . society . . and sport always make their headquarters at The Royal Connaught, even if they're only in Hamilton for luncheon. Like all the prominent luncheon clubs, they've found it a most convenient and friendly hotel. The meals are so good, the prices so moderate. The rates for the large, quiet rooms are reasonable indeed. Single with bath $2.50, $3, $3.50, $4 . . . Double Bed with bath $4.50, $5, $5.50, $6. Twin Beds and bath $5, $6, $7. Always remember there's a royal welcome for you at The Royal Connaught Hotel.

WILFRED A. STEAD, Manager

Utilities and Transportation

One 45,000 h.p. Generator Required to Meet Needs Shawinigan's Retail System

Extent of Operations Given to Lapointe Commission

SERVE WIDE AREA

375 Communities and 56,000 Customers on List—Spend Large Sum on New Lines

From Our Own Correspondent

MONTREAL.—One generator of a capacity of 45,000 h.p. would be sufficient to take care of demands on the Shawinigan Water and Power domestic distribution system. This statement was made by representatives of the company before the Lapointe electricity commission, and is of the importance to shareholders and investors in that it sets forth the relative importance of Shawinigan's retail business. Though this division of the company's operations is important, yet the bulk power sales take by far the largest share of the output and provide most of the company's revenue.

Twenty years ago Shawinigan's interests in the retail field were practically negligible. Since 1920, however, there has been a rather extensive expansion through the absorption of various small privately-owned or municipal systems north and south of the St. Lawrence River.

Acquire 50 Systems

In all about 50 different systems were acquired, including six municipal systems, those of St. Raymond, St. Anne des Plaines, St. Gabriel de Brandon, St. Ferdinand de Halifax, Danville and Neuville, the remainder being private undertakings.

Trend of Growth

Between 1913 and 1934 the number of communities served by Shawinigan increased from 19 to 375, and the number of customers from about 4,000 to 56,000. The trend of growth is set forth in the following table:

Year:	Communities served by Shawinigan	Number of Customers
1913	19	*4,000
1915	24	.....
1920	36	12,500
1923	48	.....
1925	80	.....
1926	146	.....
1928	230	47,000
1932	346	.....
1934	375	56,000

*Approximate.

Equipment in Service

The number of connections in the retail division as at the end of last year was 62,610, according to data prepared by the company. The general physical data of the various distribution systems on December 31, 1933, was as follows:

Number of connections	62,610
Miles of transmission line	1,245.7
Note: This figure is the mileage of 30,000 V. line and lower and does not include mileage of lines of higher voltage which comes under the classification of "main lines."	
Miles of distribution line	1,299
No. of towns & villages served	375
No. of munic. systems served	4
Amount of power taken based on peak demand	44,854 h.p.
Number of delivery points	35

Covers Small Power

In indicating to the commission the relatively small amount of power required for the Shawinigan retail business, it was stated that the 45,000 h.p. covers all present power demands for such towns as Valleyfield, Sorel, Victoriaville, Louiseville, Berthierville, etc., excluding the special industries which use large quantities of bulk power. The present distribution system takes care of all small power users in the average communities such as Valleyfield, the Canadian Bronze Powder Works and the Valleyfield Silk Mills; in Sorel, the Government shipyards and Les Chantiers Manseau; in Louiseville, the Associated Textile; in Victoriaville, the Victoriaville Furniture Co. and similar industries.

New Lines Costly

During the last five years Shawinigan Water and Power Co. has spent around $800,000 on the construction of 530 miles of rural lines in the territory served. In 1929 the company built 70 miles of lines at a cost of $109,800. The following year 150 miles were constructed at a cost of $235,000, and between 1931 and 1933 over $350,000 was spent which provided for a further 210 miles.

The extension of distribution lines often constitutes an important source of work in the smaller communities. During the current year Shawinigan has spent or is spending nearly $110,000 on new lines.

In presenting material to the commission on the extension of distribution lines it was pointed out that the company's experience in the calculation of anticipated revenues as compared with actual revenues received is often disappointing. Petitions are frequently presented to the company or to the Public Service Commission, it was stated, by communities desiring service. After the necessary construction has been made some of the petitioners fail to take service, and the following are a few instances of actual results:

Location:	Number of Signatures on Petition	Connections 1934
St. Pierre les Becquets (West)	9	5
Becancour Station	12	8
Rang Sud St. Janvier	5	3
Trait Carr. St. Martin	10	8
Rang St. Jean-St. Martin	45	25
Côté Grenier, Shawinigan Falls	9	8
*St. Norbert d'Arthabaska	69	61
Lotbinière (Bois des Hurons)	6	3
St. Nicholas	122	84
†Lotbinière, Rang St. François	29	19
‡Fortierville	8 or 9	4

*Only 47 out of the 69 actual petitioners at present taking service.

†Official copy of petitioners' letter to Que. Pub. Serv. Comm.

‡Letter from one petitioner only.

Try to Stimulate Use

In order to bring about an increase in the use of electricity so that communities served may have facilities for purchasing all types of electrical appliances, and to compensate for rate reductions that are being continuously made, it has been the practice of Shawinigan for the past ten years to carry on active merchandising operations. Electric stoves are being rented, water heaters and other appliances, including refrigerators, being sold on long term payments.

Newfoundland Sets Newsprint Record

From Our Own Correspondent

MONTREAL. — Newfoundland's two newsprint mills manufactured more newsprint paper in the eleven months ended November, 1934, than in any other similar period on record. The Newsprint Service Bureau reports that between January and November this year, the island mills fabricated 291,725 tons, or 19 per cent more than in 1933 and comparing with the previous high record of 270,469 tons made in 1931.

There is no doubt that for the full year Newfoundland's newsprint production will exceed 300,000 tons for the first time on record. Credit for this unusual performance goes to the International mill at Corner Brook and the Anglo-Newfoundland plant at Grand Falls.

Montreal Power Output Higher During November

From Our Own Correspondent

MONTREAL. — Further gain in sales of electricity and gas are reported by Montreal Light, Heat and Power Consold. Last month output of electricity, exclusive of off-peak and export power, totalled 91,522,500 kw.h. compared with 89,063,770 kw.h. for the corresponding month last year, an increase of 2.76 per cent. Similar monthly increases in output have been as high as 15.13 per cent during the current year, with an average increase for the eleven months to date, over the corresponding period last year, of 8.44 per cent.

Gas has been slower in reaching more normal output levels and small decreases have been reported during the last quarter, despite increases during the current year as high as 5.70 per cent. Output for November totalled 421,201,000 cu. ft., as compared with 423,154,000 cu. ft. for the corresponding month last year, a decrease of 1,953,000 cu. ft., or .46 per cent. However, production for the eleven months to date shows an increase over the corresponding period last year of 1.05 per cent.

Southern Canada Power November Income Lower

From Our Own Correspondent

MONTREAL. — Larger operating profits in November, 1934, as compared with the same month last year, were offset by an increase in operating expenses, with the result that net earnings of Southern Canada Power for the past month were approximately $3,900 less than in November, 1933.

The company reports a gross income for last month of $189,983, as against $187,265 in the corresponding month last year. Operating expenses increased from $64,578 to $71,180, leaving net earnings of $118,803 compared with $122,687 a year ago.

Cumulative returns for the first two months of the current fiscal year ended November, 1934, showed gross income of $369,041 and net earnings of $226,200. For the corresponding period of the previous year gross revenues aggregated $367,037 and net earnings $237,647, or $11,447 greater than reported for the current year.

B. C. Power Income Higher in November

MONTREAL. — British Columbia Power Corp. reports an increase in both gross and net operating revenues for the past month compared with November a year ago. Gross income totalled $1,117,530 and net $383,874. For November last year gross totalled $1,084,959 and net $362,574.

For the five months of the current year ended November, 1934, B.C. Power reports a gross income of $5,285,656 and a net income of $1,715,287. This is in contrast with a gross income of $5,163,433 and a net revenue of $1,585,104 for the same period in 1933.

No Tax on Newsprint, Says President Roosevelt

From Our Own Correspondent

MONTREAL. — President Roosevelt has directed that no action be taken at this time regarding taxing or prohibiting the importation of newsprint into the United States, according to a statement issued by the National Recovery Administration.

"This decision was reached," the announcement says, "after extended study by all of the various government departments concerned, of the problems raised by the complaint filed with the National Recovery Administration under the provisions of section 3 (E) of the Recovery Act by the code authority of the newsprint industry."

The provisions empower the President to prohibit or tax imports of newsprint after adequate investigation by the federal tariff commission.

Public Utility Earnings

Southern Canada Power

November—	1934	1933
Gross Revenue	$189,983	$187,265
Oper. Expense	71,180	64,578
Net Revenue	118,803	122,687
Two Months—		
Gross Revenue	$369,041	$367,037
Oper. Expense	142,841	129,390
Net Revenue	226,200	237,647

B. C. Power

November:	1934 $	1933 $	Increase $
Gross earn.	1,117,530	1,084,959	32,571
Oper. exp.	733,656	722,385	11,271
Net earn.	383,874	362,574	21,300
Five Months:			
Gross earn.	5,285,656	5,163,433	122,223
Oper. exp.	3,570,369	3,578,329	*7,960
Net earn.	1,715,287	1,585,104	130,183

*Decrease.

JAMAICA PUBLIC SERVICE'S BONDS TO BE PAID OFF

Will be Replaced With New Issue Payable Only in Sterling

From Our Own Correspondent

MONTREAL. — Jamaica Public Service Co. has taken steps to retire its first mortgage bonds and is replacing the issue with bonds of a lower coupon rate. An official notice has been given of the calling for redemption of all the outstanding 5 per cent first mortgage bonds, due July 1, 1950, on January 15, 1935, by the payment of par, accrued interest and a premium of 3 per cent, on the principal amount.

According to Russell D. Bell, president, this issue is being replaced through the sale of an issue in London, England, of £420,000 first mortgage 4½ per cent debenture stock due January 15, 1965. The consent of the British treasury to the issue of these securities in London is the first that has been given to an issue of Canadian sponsorship since the recently announced relaxation of the restrictions on outside financing.

The Jamaica Co. will secure a moderate reduction in its annual interest charges as a result of this refunding. The main object of the refunding operations, however, is to make the Jamaica Co. indebtedness payable in the same currency as that of its income, the official currency on the Island of Jamaica being in pounds sterling.

The existing $2,000,000 of 5 per cent bonds are payable either in sterling or in Canadian dollars at the option of the holder, while the new issue of debenture stock will be payable in sterling only. The debenture stock will carry the same sinking fund as the old issue, namely 1½ per cent per annum, and will be subject to the same terms as to security as the existing issue.

FANNY FARMER NET MAY EQUAL 90 CTS.

Current Earnings for 11 Months Exceed 1933 Total

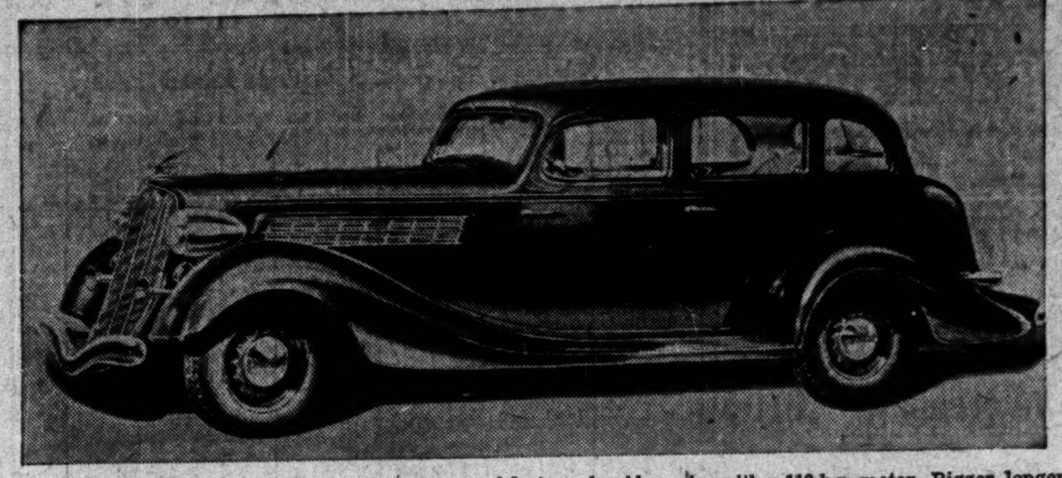
With net earnings of Fanny Farmer Candy Shops for the first 11 months of the current year already exceeding the full years total in 1933 by $7,000 and with December, the best month of the year in the candy business, yet to be reported, earnings of 90 cents per share on the new stock have been predicted. This would mean earnings of $360,000 for 1934 or approximately $67,000 for the month of December.

Gross sales for the first eleven months of the current fiscal year are officially reported at $3,434,929 as compared with $3,406,988 for the entire year of 1933. Net earnings for the eleven months are reported at $293,272 as compared with $286,256 for the entire 1933 year.

The last month in the year, with two gift-giving holidays, is generally considered to be equal to three ordinary months that do not include Easter, which is another big candy selling period.

Adding the bonus of 6¼ cents to the last dividend of an equal amount which was declared early this month and is payable Dec. 31, the present rate on the 400,000 shares of new stock is 50 cents per year, per share, which is equal to $2 on the old shares.

Hudson's Bid in the Luxury Class



With a line which includes a completely new series of cars, the 1935 models of Hudson Motors of Canada was announced last week. Above is shown the Hudson eight sedan on a 117-inch wheelbase and equipped with a 113 h.p. motor. Bigger, longer and roomier cars are common to both Hudson and Terraplane.

B.C.'s $750,000 "Raise" Means More Subsidies

Foresee Prairie Claims For Similar Treatment; 1907 Plan In Peril

From Our Own Correspondent

OTTAWA — Foreshadowing an evening out of Dominion subsidies to the provinces, Hon. Grote Sterling, in his first speech as a cabinet minister in British Columbia, announced an "additional grant" to the province of $750,000.

Mr. Sterling did not refer to an increase in subsidy, nor has there been any Royal Commission enquiry or other investigation in recent years to determine what amount of subsidy should be paid to British Columbia. But there can be no doubt that the province has all but doubled its annual subsidy by much the same means as was employed, in 1926, to step up Dominion payments to the Maritime Provinces.

More Claims Expected

Whether or no this "additional grant" will bring claims for similar treatment from the three Prairie Provinces is not yet clear. The probability is however that such claims will be advanced, and in this way, the whole subsidy structure, supposedly settled in finality by Laurier in 1907, will be imperilled.

A glance at the subsidies paid to the provinces in the past few years will indicate what is now happening.

Prince Edward Island	$ 381,931.88
Nova Scotia	644,255.48
New Brunswick	693,040.16
Quebec	2,592,013.68
Ontario	2,941,424.28
Manitoba	1,694,195.38
Saskatchewan	2,112,803.00
Alberta	1,743,159.00
British Columbia	874,561.46

1926 Arrangement

Additional to these statutory subsidies, the King Government, in 1926, inaugurated yearly grants to the Maritimes of $1,600,000, divided: P. E. I., $125,000; Nova Scotia, $875,000; New Brunswick, $600,000.

The grant to British Columbia like those of 1926 to the Maritimes will be frozen into the subsidy accounts of the Dominion. The fact that there is no statutory base for it will make no difference.

Makes Rough Parity

It will be observed that this new grant brings all of the secondary provinces, P. E. I., excepted, into a rough parity. It is plain that the government has entirely abandoned the principles upon which subsidies were originally granted and is swinging rapidly to a position of equality of treatment. Thus the statutory subsidy of $644,255 paid to Nova Scotia has been stepped up, by special grant, to $1,519,255; that of New Brunswick from $693,040 to $1,293,040; that of British Columbia from $874,561 to $1,624,561.

British Columbia now draws approximately the same subsidy as Manitoba, although the latter may argue that its claims far transcend those of the coast province. A comparison indicates the nature of the claims which may be made:

	Manitoba $	B. C. $
Allowance for gov't.	190,000	190,000
Population subsidy at 80c. per head	560,111	555,410
Subsidy in lieu of natural resources	562,500	nil
C.P.R land compens'n.	nil	100,000
Debt allowance	381,584	29,151
Additional grant	nil	750,000
Totals	1,694,195	1,624,561

Prairies Viewpoint

The Prairie Provinces, in all probability, will argue that every item in their annual subsidy (the other two are replicas of Manitoba) is either a part of the original Manitoba act, embalmed in the B.N.A. Act, or is a result of an open bargain with Ottawa, defended by various Dominion governments as just in every way and ratified by statutes subsequently enacted at Westminster. Nothing in the form of a grant appears therein and presumably no Dominion government would choose to do as an act of charity what could be defended on principles of equity.

If cash grants are to be the order of the day, the Prairie Provinces will certainly feel entitled to a share of whatever may be going. For that matter Ontario and Quebec may feel the same way.

Elected Director

HARTLAND DeM. MOLSON

Who has been elected to the board of Bruck Silk Mills, Ltd.

Canadian Newsprint Mills Approaching 1929 Record

Increase of 28 Per Cent Recorded in First 11 Months of 1934 — Figure for Full Year Will Exceed 2,500,000 Tons

From Our Own Correspondent

MONTREAL. — Earlier expectations that the Canadian newsprint production for 1934 would exceed the 2,500,000 ton mark are certain to be fulfilled, judging by the returns for November, as issued by the News Print Service Bureau.

Last month Canadian mills turned out 240,869 tons, bringing the cumulative total for the 11 months up to 2,359,748 tons. This compares with 1,841,700 tons in the corresponding period of 1933 and with the previous all-time record of 2,495,628 tons established in 1929.

Anticipations are that production during the current month will be more than sufficient to shove the year's total over the 2,500,000 ton figure and thus establish the second largest yearly volume of newsprint ever produced in this country.

Factors in Situation

The increase in production does not fully reflect an increase in consumption, particularly in the United States market, which consumes well over 80 per cent of the total Canadian output. Advance in advertising linage, plus an increase in reader interest, have played the most important part in the better demand, but some of the gain must be attributed to the American publishers stocking with newsprint in anticipation of the announced price increase after the turn of the year. It is difficult to determine the extent of the surplus stock, but a reasonable estimate would be not far short of 100,000 tons, most of which has come from Canadian mills.

U.S. Mills Hold Own

The American mills have not lost a great deal of business to the Canadian producers, though the increase in production in that country has not been as great as in the Dominion. Last month the American output totalled 74,933 tons, bringing the total for the year to date up to 877,501 tons. This was in contrast with 865,479 tons for the same period in the previous year. This is a small increase, but compared with other years shows that the declining trend of production in the States has been checked only temporarily.

Despite the fact that Canadian mills have turned out a larger tonnage this year than ever before, with the exception of 1929, the combined production in the United States and Canada will not be as good for 1934 as reported in several other years. To date cumulative production is less than for the corresponding periods in 1928, 1929 and 1930. This reflects the contraction in American output. The two countries should produce around 3,500,000 tons this year, which would be about 500,000 tons more than in 1933.

On Bruck Silk Board

W. H. MINER

President of Miner Rubber Co., who has been elected a director of Bruck Silk Mills, Ltd.

German Rentenmarks Being Changed Again

Fifty-rentenmark notes of the third issue, for domestic circulation, and dated July 6, 1934, are being placed in circulation in Germany. They are to replace the rentenmark notes of March 20, 1925, which, however, retain full value until further notice.

The rentenmark notes of the second issue, 1925, replaced the notes of the first issue of Nov. 1, 1923, which were declared invalid from Oct. 1, 1925.

HUDSON 1935 LINE ARE STREAMLINED BIGGER, ROOMIER

"Electric Hand" Chief Mechanical Addition in 1935

Bigger, roomier and more streamlined cars feature the Hudson-built line for 1935. In both the Terraplane and Hudson makes, the radiators are both narrower and higher and accessories, such as headlights, streamlined to conform with body design. Particular attention has been paid to rear lines. Rear compartments have been further developed and, in addition, built-in trunks on special models have been designed as part of the original body lines.

Mechanically a highlight is the "electric hand," described as a development by Hudson and Bendix engineers. A pre-selection device mounted on the steering wheel, it is optional on the full Hudson line. The driver selects the gear he wants and the electric hand does the actual shifting. The motorist may select, in advance, the gear desired and the shift is made, when the clutch pedal is used, by depressing it with the foot in the ordinary way.

New Braking System

Other mechanical features stressed by the manufacturers include rotary equalizing brakes and a starter lock-out on the transmission which makes impossible accidental starting of the car while in gear.

Introduction by Hudson this year of all-steel roofs not only provides an additional safety feature but allows unbroken sweep of overhead lines. The body and chassis, both of steel, constitute a single unified structure and special interior acoustic treatment has also been introduced.

Both front and rear seats of the new cars are designed to hold three passengers. All sedans are definitely six-passenger cars, the manufacturers state.

Axleflex Optional

On both Terraplanes and Hudsons, artillery-type pressed steel wheels and air-cushion type tires are standard as is the all-weather ventilating system on closed models. The Hudson axleflex system of independent front wheel spring is optional on all models at slight extra cost.

In all, Hudson-built cars are available in 26 body types, two series of Terraplane and four series of Hudson, including a new line of Hudson sixes. Prices start at $875, f.o.b. Tilbury for the Terraplane special coach.

R. S. McLaughlin Elected Can. Gen. Electric Board

R. S. McLaughlin, president of General Motors of Canada has been elected a director of Canadian General Electric Co.

The choice was made at a meeting of the board of Gen. Electric on Dec. 17, 1934.

Nickel Production Gains

Nearly a hundred million pounds of nickel were produced in Canada during the nine months ended September 30, this being an increase of 83.5 per cent above the output for the corresponding period of last year.

CANADA NORTHERN EARNINGS ADVANCE DURING NOVEMBER

Output Reaches Record Level—Customers Grow in Number

From Our Own Correspondent

MONTREAL. — Canada Northern Power, subsidiary of Power Corp. of Canada, reports further advances in gross and net operating income.

Last month the company had a gross income of $371,827 in comparison with $326,034 for the same month last year. A sharp increase in expenses tended to cut down the increase in gross, but net earnings at $239,739 were $11,170 greater than a year ago.

Cumulative returns for the first 11 months of 1934 show a gross income of $3,791,463, or 14 per cent more than for the same period last year when revenue amounted to $3,351,906. Operating expenses totalled $1,296,810, an increase of $290,345, leaving net income at $2,494,653, as against $2,345,441 in 1933.

Record Power Output

Power output for November reflects the increasing demands of old and new customers. The total established a new record at 46,473,867 kw.h., an increase of 5,197,957 kw.h., or over 12 per cent, compared with the same month in 1933. For the year to date production totalled 483,593,833 kw.h. This is in contrast with 432,694,740 kw.h. for the first 11 months of 1933.

During the past month Canada Northern added 165 new customers to its system, bringing the total to 14,516 compared with 13,411 at the end of November last year.

NIAGARA WIRE TO PAY DIVIDEND COMMON STOCK

Disbursement of $1 Per Share Reflects Better Business

From Our Own Correspondent

MONTREAL. — Niagara Wire Weaving Co. has declared a special dividend of $1 a share on the common stock—the first to be declared in three years. It will be recalled that in May this year the company cleaned up the arrears of dividends on the preferred.

The improvement noted in the company's earning power during the fiscal year ended last March 31 is understood to have continued during the current period. Last fiscal year net income, after depreciation, amounted to $126,836. This was in contrast with $33,821 in the year ended March 31, 1933. Earnings on the preferred amounted to $6.12 and on the common 45 cents a share. In view of the current declaration of a $1 dividend on the common shares, it is presumed that earnings this year are running at somewhat better than that figure.

Most of Niagara Wire Weaving's business comes from the newsprint industry. The company is a large producer of Fourdrinier wires, which are essential for the manufacture of newsprint. As the demand for the latter product has shown a marked improvement over the past eighteen months, the replacement of wires has been on a more substantial basis, with the result that operations and earnings of Niagara Wire have mounted upward.

Canadian Industries Lowers Price of Product

From Our Own Correspondent

MONTREAL. — Canadian Industries Ltd. announce the third reduction this year in the price of high explosives. Effective December 17, the price has been cut 50 cents per 100 lb. The reduction, states the company, is made possible through larger volume and improvements in manufacturing processes.

Thrift Store Executive Resigns from Position

From Our Own Correspondent

MONTREAL.—At a meeting of the board of directors of Thrift Stores Ltd., the resignation of Joseph Schafran as vice-president, general manager and director, was accepted by the board.

New Issue

Guaranteed unconditionally by the
Government of The Dominion of Canada
as to both principal and interest

Canadian National Railway Company

Sixteen Year 3% Guaranteed Bonds

To be dated December 15, 1934
To mature December 15, 1950

Coupon bonds in $1,000 and $500 denominations registerable as to principal. Bonds without coupons are obtainable in fully registered form in denominations of $1,000, $5,000 and $10,000. Subject to redemption at the option of the Company as a whole at 100 and interest on December 15, 1945, or any subsequent interest payment date on 60 days' notice.

Price: 99.75 and interest, yielding 3.02%

The above rate of interest contrasts with 2% paid on savings deposits.

Orders may be telegraphed or telephoned to us, charges collect.

McLEOD, YOUNG, WEIR & CO.
LIMITED
METROPOLITAN BUILDING, TORONTO
Telephone: ELgin 0161
MONTREAL Harbour 2276
OTTAWA Queen 873
LONDON Metcalf 1465
HAMILTON Regent 0010

THE FINANCIAL POST
SECOND SECTION
Vol. XXVIII PUBLICATION OFFICE: TORONTO, DECEMBER 22, 1934 No. 51

Canada's Biggest Problem

RAILWAY DEFICITS

Too Many People Approach Its Solution With Their Minds Made Up

THE Winnipeg Free Press has a reference to "the corner in which every week The Financial Post lifts up its voice in lamentation because the Canadian Pacific has not yet succeeded in destroying the Canadian National Railways."

The Winnipeg paper does not stop at that piece of misrepresentation. It speaks of the "pleadings of The Post and other advocates of the 'amalgamation' scheme."

In another editorial it says that The Financial Post "in every issue has a broadside in support of Mr. Beatty's thesis that the Canadian Pacific company should be put in charge of the Canadian National system."

The Free Press apparently has not read through any of The Post's articles on the railway problem. It rushes to criticize them without digesting them. For we have said nothing that any genuine friend of the Canadian National Railways could not approve.

The Financial Post has not supported Mr. Beatty's or any other plan of amalgamation. What we have asked for is a fair trial of the Duff Commission recommendations for economical and non-political operation of the Canadian National and for the utmost measure of co-operation in achieving joint economies on the two major systems.

The Duff recommendations have never really been tried. If they are tried and fail, The Financial Post stands prepared to support more drastic proposals. Mr. Beatty's plan is only one of several that would have to be considered. Mr. Ruel, Mr. Euler and the Senate also have outlined plans that are not to be dismissed without study.

The difference between papers like the Winnipeg Free Press, the Toronto Globe and the Moncton Transcript, for example, and The Financial Post is that they appear to accept the Canadian railway problem as already solved, while The Post refuses to lull its readers into the thoroughly dangerous belief that all that is required to solve the railway problem is an increase in traffic to some supposedly "normal" proportions.

The Financial Post does not approach the railway problem with a closed mind. There are already too many closed minds on that subject in Canada.

For that matter both of the major parties approach the railway problem with closed minds, although the new Liberal platform seems to leave room for escape.

* * * *

Economy Only Barrier to Amalgamation

EACH of our articles has urged a fair trial of economy on the C.N.R. and co-operation with the C.P.R.—the Duff Commission recommendations.

That such a fair trial is not being given to the Duff Commission recommendations should be a matter of grave concern to papers like the Free Press and the Toronto Globe, which support public ownership and which oppose railway amalgamation.

If the C.N.R. trustee board cannot make a success of its work, then public opinion will swing behind amalgamation proposals.

If they are so anxious to avert amalgamation, the Free Press and the Globe should be insisting on the solution of the railway problem by the board of trustees who were given all the powers necessary to ensure the railway of the utmost measure of efficient and economical operation.

* * * *

Is Recapitalization a Remedy?

THE Free Press places much faith in recapitalization of the C.N.R. It considers that "the present set-up enables the enemies of the Canadian National Railways actually to misrepresent its financial position while technically keeping within the record."

There are present two distinct factors; first, what the Canadian National has cost and is costing the taxpayer (and this is a summation of the cost of our numerous railway mistakes), and what the Canadian National is or may be losing through lack of economical administration.

The Financial Post is concerned with the first because that is where the rub comes for the taxpayer; that is where our national credit is endangered. We admit, and in doing so we are only repeating what we have said before, that the Canadian National Railways cannot possibly earn enough money to pay interest on all the money our railway policies have wasted for us. But that, we contend, is no reason for not trying to cut the burden as much as possible.

We are concerned also with the second because that is where the present situation manifests its gravest aspects.

The importance of recapitalizing the government lines, which means dividing the railway debt between what is irretrievably lost and what may conceivably be offset by assets has, we believe, been exaggerated. How can we possibly know what is a fair asset value for the C.N.R. until we have made an earnest endeavor to learn just how much the C.N.R. can earn if administered to achieve the greatest possible economies, and not in the spirit of the chairman's Halifax and Saint John utterances?

It would be interesting to know what valuation the Free Press would put on the Canadian National Railways as a going concern; how much, in other words, it would write out of the capitalization.

Having fixed its figure, let the Free Press then take these last four years of depression and the previous four years of relatively good business and see if the C.N.R. has earned depreciation, sinking funds and interest on that amount. We warrant that, if the Free Press is honest with itself in its calculation, it will be amazed to discover how much the C.N.R. will have to reduce its expenses to earn a return on the valuation the Free Press fixes.

* * * *

Grave Danger is Lack of Frankness

THE most important barrier to a solution of the railway problem in Canada is the lack of frankness in discussion of it. This lack of frankness extends even to the headquarters of the Canadian National Railways whence issues propaganda against measures of economy. To economize would mean to lay off men; to economize would mean to lessen service; to economize would be bad politics; to economize would give the C.P.R. an advantage. This sort of thing is being whispered about to make the public forget the one essential fact that our railway losses are beyond our capacity to pay if we are to maintain our solvency.

Canada's prosperity in the past has been financed on borrowed money; money from Britain and money from the United States.

From neither country are we obtaining any more than driblets of new capital today.

From neither country will we be able to obtain money to meet deficits in public and railway expenditures.

A crisis in public finance in Canada is just around the corner. This is no alarmist view but a positive and lamentable fact. We warrant that no one realizes it better than the prime minister of Canada. It can be avoided only by early and drastic action on railway and public finance.

Under such conditions it is foolish for us to dream pleasant dreams about the Canadian National Railways or any other drain on the public treasury.

Foreign Exchange Markets

STERLING went from a slight discount to a premium in Canada and the discount on U.S. dollars shrank from about two to one per cent in the week ended Dec. 17. There was a slight increase in the discount of the Canadian dollar from gold.

December appears to be a normal month of softness for the Canadian dollar because of heavy year-end payments of interest and dividends abroad.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Dec. 11	Dec. 12	Dec. 13	Dec. 14	Dec. 15	Dec. 17
U. S. dollar, High	.5906	.98 5/16	.99 5/16	.99 5/16	1.00	.98 13/16	.99 1/16
Low	.5906	.97 13/16	.97 5/32	.98⅞	.98 13/16	.98 13/16	.98 15/16
1933 High	1.000	.99⅛	.99 13/16	.....	.99⅞	.99½	.99⅝
Low	1.000	.98¾	.99⅛	.....	.99½	.99⅛	.99¼
U. K. pound	4.8665	4.86¼	4.90½	4.89	4.88	4.90	4.89¼
Argentina	.4246	.2455	.2478	.2460	.2475	.2474	.2477
Australia	4.8665	3.8697	3.8994	3.8925	3.8965	3.8972	3.8920
Austria	.1407	.1863	.1882	.1876½	.1878	.1877	.1871
Belgium	.1392	.2294½	.2317	.2310	.2312	.2313	.2318
Brazil	.1963	.0672½	.0664	.0667½	.0682	.0668	.0673½
Czechoslovakia	.0296	.0410½	.0415	.0413½	.0414	.0414	.0414½
Denmark	.2680	.2173	.2190	.2182	.2189	.2187	.2184
France	.0392	.0647	.0654	.0652	.0652	.0652½	.0653
Germany	.2382	.3946	.3985	.3972	.3973	.3975	.3982
Greece	.0130	.0092¼	.0093½	.0093	.0093¼	.0093	.0093¼
Holland	.4020	.6640	.6709	.6686	.6690	.6692	.6700
Hungary	.1749	.2921	.2951	.2942	.2943	.2943	.2946
India	.3650	.3683	.3744	.3727	.3730	.3720	.3718
Italy	.0526	.0838¾	.0847	.0844	.0845	.0846	.0846
Japan	.4985	.2867	.2896	.2882	.2884	.2886	.2887
Jugoslavia	.1929	.0223¾	.0226	.0225	.0225	.0225	.0226
New Zealand	4.8665	3.8851	3.9150	3.9081	3.9120	4.9128	3.9076
Norway	.2680	.2445	.2466	.2456	.2463	.2462	.2459
Poland	.1122	.1869	.1886	.1884	.1884	.1883	.1877
South Africa	4.8666	4.8544	4.8918	4.8831	4.8881	4.8890	4.8826
Spain	.1929	.1342	.1356	.1351	.1352	.1352	.1354¾
Sweden	.2680	.2508	.2531	.2519	.2528	.2527	.2523
Switzerland	.1930	.3180¼	.3211½	.3201	.3202	.3205	.3209
Hong Kong	.5422	.4222	.4255	.4242	.4244	.4234	.4189

We Gamble In Wheat

By KENNETH R. WILSON

After Four Years of Stabilization in Canada's No. 1 Product, John I. McFarland Believes the Battle Has Been Won—Why Every Canadian Hopes He Is Right

In an office on Main Street, Winnipeg, sits John I. McFarland.

He is the enigma of every country in the world interested in the production or consumption of wheat.

At the present moment he is reputed to be holding in terms of wheat futures, between 225,000,000, and 240,000,000 bushels of that commodity.

This is one quarter of the wheat "carryover" of the world; is 40 per cent of the entire estimated requirements of world wheat importers for the crop year which ends next July.

It is between 90 and 95 per cent of the entire Canadian "visible" supply of wheat which, as at November 30, was 255,000,000 bushels.

To get rid of this wheat and leave a "normal" carryover next August of say 40,000,000 bushels, Canada must export almost 8,000,000 bushels of wheat each week for the remaining 34 weeks of the crop year. To date, our average weekly export has been slightly less than 4,000,000 bushels, despite the fact that the fall of the year is normally Canada's best crop marketing time. November shipments were particularly disappointing.

Supremely Confident

Yet Mr. McFarland is supremely confident of his ability to liquidate this huge surplus. "No reasonable doubt exists in regard to the elimination of all past surplus stocks before another crop has been grown," he stated in an interview in Winnipeg last week.

The scourge of drought has changed the entire Canadian picture in his opinion. "I am all clear," he told me recently in Winnipeg. "By next summer I will be back home in Calgary. The story will be a very different one six months from now."

Every Canadian taxpayer—every Canadian farmer—every Canadian citizen is vitally interested in this matter. It constitutes one of Canada's biggest individual problems.

If Mr. McFarland is right, one of the few successful price-fixing schemes in the world's history will have been achieved. If he is wrong, Canada may find herself in a very tight place in 1935.

How It All Happened

What has happened is that for the past seven years, Canada has been producing more wheat than she could or would sell on world markets. Statistical proof is in our official carryover figures compiled at the end of every crop year, (July 31). Here is the story:

Canada's Wheat Carryover
(Including wheat in U.S. positions)

	Bushels
1926	42,000,000
1927	58,000,000
1928	93,735,000
1929	130,061,000
1930	130,459,000
1931	140,877,000
1932	137,733,000
1933	219,428,000
1934	203,275,000

Wheat Pool Genesis

The story of these seven eventful years is known to most Canadians. In brief, it began with the attempt of the Canadian wheat pools to adopt what they called an "orderly marketing" policy for Canadian wheat. By this, they meant to try for a better price for Canadian wheat farmers by letting only a portion of the new crop be marketed when it was harvested in the fall of the year. The belief was that by so doing, Canadian farmers would get a better price for their product if the selling pressure of a tremendous volume of Canadian wheat in the fall of the year were lessened.

Such a policy might be a good one if Canada were the chief supplier of wheat exports to the world. Unfortunately she is not, and many people believe we can never obviate the fact that in the fall of the year, we are almost the only country marketing new wheat throughout the world in any volume. If we do not market our crops then, we may lose something later on, because early in the year, Argentina and Australia begin to market the new crops they have harvested in December and January.

The Collapse

At any rate, by reason of "orderly marketing" and other causes the Canadian wheat pools in 1930 faced a ghastly collapse.

They had borrowed money from seven leading Canadian banks to finance their operations and by November, 1930, the price of wheat which 16 months previously had been as high as $1.78 a bushel, had shrunk below the 60c. mark.

Earlier, three western provincial governments had tried to stem the tide by guaranteeing to banks the advances made by them to the pools. But the going got worse instead of better and on November 18, 1930, the federal government agreed to guarantee the banks against loss up to $5,000,000, in connection with the financing of the 1930 crop movement. Prime Minister Bennett was at that time in London attending the Imperial Conference, as also was John I. McFarland.

Enter John McFarland

When Mr. McFarland landed at Montreal shortly after the middle of November, he was met at the railway station by the late Andrew McPhail, president of the Wheat Pool. McPhail asked McFarland if he would accept the position of general manager of the Central Selling Agency of the Pool known officially as the Canadian Co-operative Wheat Producers' Association. Mr. McFarland stipulated two conditions, first that all foreign offices of the pools

JOHN I. McFARLAND

should be closed; second, that he (McFarland) should accept no salary for the work.

Wheat prices by this time were slipping down below the 60 cent mark and Canada, on top of a carryover a few months previous of 130,000,000 bushels, was faced with the problem of marketing a new 1930 crop of over 300,000,000 bushels.

From that day to this, John McFarland has been the mystery man of the Canadian west. Lauded, abused, praised, vilified, he has become the most dominant figure in the grain trade of the world.

How Plan Worked

His original commission was simply to liquidate the wheat which the Central Selling Agency (the Pools) had still unsold on their hands from the 1928, 1929 and 1930 crops. How much this was has never been officially disclosed. The figure is rumored at between 80 to 90 million bushels of wheat, most of which was 1930 crop. Most of it was in the form of actual physical wheat. Very quickly, however, this was converted into what is known in the trade as "futures."

That he has ever "speculated" in wheat was rigorously denied by John McFarland when he appeared before the parliamentary committee last spring. He explained his operations at that time as follows:

"We have not speculated in a single bushel of wheat in the operations I have directed for the Canadian Co-operative Wheat Producers, Ltd., since November, 1930. Speculation as I understand it means buying and selling goods or stocks in the hope of profiting by changes in the market value. Our operations were governed by no such considerations. Our only object has been to assist the farmer in marketing his wheat."

The plan apparently worked smoothly until the autumn of 1932, and although Canada's next carryover figure was slightly higher than the one before, Mr. McFarland's holdings, according to evidence given before the Banking and Commerce Committee last spring, were smaller than they had been the year before. In the meantime, wheat prices in Canada had been stabilized and even strengthened.

Then two things happened.

In September, 1931, Britain abandoned the gold standard and Canada harvested a bumper crop of 443,000,000 bushels of wheat.

Even earlier than this, the principle had been established that John McFarland should have power to purchase more wheat (or wheat futures) if he deemed this necessary to protect his previous commitment. These "stabilization" operations were carried in a separate account because as at July 31, 1931, the Canadian wheat pools abandoned their orderly marketing policy and ceased to deliver wheat to their Central Selling Agency.

Thus, John McFarland kept and still keeps in one account the assets and liabilities of pool members prior to July, 1931, and in the other a separate account of purchases of wheat made with a view to stabilizing the market generally. He is reputed to have a large commitment still in respect of the first account.

Who Gets the Profits?

The story from that day to this is shrouded in comparative mystery. One of the few known facts is that as a close personal friend of Prime Minister Bennett, John I. McFarland has been clothed with powers never perhaps given to a single individual in this country.

At Ottawa last spring, Mr. McFarland protested he was still acting for the wheat pools and for them alone. He denied holding a dual position or that the federal government was interested in his operations apart from their guarantees to the banks.

Who then does John McFarland represent? Who gets any profit he may make; who pays the losses?

It is a question which has never been settled. The nearest to an official statement is that made by Mr. McFarland before the Banking and Commerce Committee this year, in which he stated, "if there are any profits, it will be in the name of the wheat producers. That is the name under which the account is carried." As to who would get these profits, he refused to commit himself, saying, "I am going to leave that to the government. I hope it will be so much that there will be a big fight over it." If he has any losses it seems clear that it will be Canadian taxpayers who foot the bill.

A Grain Pioneer

John McFarland was born in Halton County in 1873. At the age of twenty-five he migrated to Winnipeg where he worked for two years as a bookkeeper for a grain trade firm. At the turn of the century he was sent to Alberta where a group of far-sighted grain men, including the late Nicholas Bawlf were planning to erect and operate the first country elevator in that province at Strathcona, now part of South Edmonton. Under the same backing he came to Calgary and in 1912 effected an amalgamation with his own company (which had 45 elevators by that time) and the Alberta Pacific Elevator Co. to form the Alberta Pacific Grain Co. The new firm had a line of 113 country elevators and on the death of Nicholas Bawlf in 1914, Mr. McFarland took complete charge of the new enterprise. The deal was said to have been financed by Max Aitken (now Lord Beaverbrook). A close associate in the new enterprise was a prominent Calgary lawyer—Richard Bedford Bennett.

Mr. McFarland directed the enterprise with outstanding success until in 1924 he sold a large interest to the British firm of Spillers, Ltd. He continued to manage the property until 1926 when control was sold to James Stewart. At that time the company had over 300 elevators throughout the three prairie provinces and was one of the most successful enterprises of its kind in Canada.

From 1926 until 1930. John McFarland busied himself with oil, automobiles and theatres. He was a large shareholder in Royalite, president of Okalta Oil and a director of several other companies in the same business. He went into the automobile business with Imperial Motors, Ltd., of Calgary, and held a considerable block of stock in Palace Theatre of that city. When the Imperial Conference was held in London in 1930, Prime Minister R. B. Bennett asked his friend John I. to come along as a sort of unofficial adviser to the Canadian delegation in respect of wheat matters. On his return from this trip he was met by Andrew McPhail and asked to assume the general managership of the Central Selling Agency.

Has Had Stormy Path

If he had known where it would lead, it is doubtful if he would have said "yes" to Mr. McPhail's proposition. For almost four years he found his job getting harder instead of easier as trade restrictions, exchange complexities and other depressing influences kept cluttering the channels of world wheat trade.

He saw the United States Stabilization Board sink hundreds of millions of dollars in wheat until their holdings topped the 250,000,000 bushel mark. He saw this same scheme fizzle out in ignominy as this huge holding was gradually liquidated at prices greatly lower than had been paid for the wheat in open market. He has seen the present U. S. administration denounce the plan because "the existence of stocks tended to depress market prices and in that way offset the original gain from the temporary price stability attained during the purchase period. "The stocks were disposed of," continues an official publication of the U. S. Department of Agriculture, "only at a heavy loss to the government and with general dissatisfaction to all concerned."

Mr. McFarland saw the Wheat Agreement rise and fall in an attempt to "regulate" the world market. Indeed for almost the entire tenure of his office his greatest concern seems to have been not so much the actual physical burden of wheat which he carried but rather the international wheat trade outlook which he believed indicated a permanent overproduction of the world's wheat "plant."

Drought Changes Picture

Then came the drought.

Year after year it had been cutting the heart out of the greatest wheat producing area in the world—Southern Saskatchewan. Then for two successive summers it ravished the North American continent so that by the autumn of 1934 the United States alone, faced a deficiency in wheat and feed grains of several billions of bushels.

Thus at the end of August, Mr. McFarland made a very significant public statement. He said: "The present situation is so unprecedented that I venture the opinion that our farmers of Western Canada will do well to adopt a policy of orderly marketing by selling gradually during the coming months."

Backing Views to Limit

It is this belief he is backing to the limit in his present policy of marketing wheat.

He visualizes Canada with clean bins when she enters the new crop year on August 1 next.

With his holdings assuming a gradually increasing importance in the Canadian wheat picture, Canada has marketed in four years, something over a billion bushels of wheat and Canadian farmers, to quote Mr. McFarland, have been saved over $200,000,000. A more modest estimate made a few weeks ago by Prime Minister Bennett put this figure at $25,000,000.

Two Vital Factors

Two vital factors must also be considered.

The first is that Canada will not be out of the woods until her huge wheat surplus is actually sold. Every Canadian farmer — almost every thinking Canadian, hopes Mr. McFarland will win; hopes he will clear the wheat bins before next August—even if he doesn't get the 80 or 85 cents a bushel which his holdings now cost him. But the gamble is still there until the actual sales are made. In fact there are probably very few grain men in the world today who believe John McFarland is right. Even in Canada his apostles are very much in the minority.

Then there is the question of price. For over a year now, the McFarland operations have caused Canadian wheat prices to be out of line with those of her competitors. The spread between comparative Canadian and Argentine wheats has been as great as 15 or 20 cents a bushel. Not only is this said to have had an adverse effect on Canadian wheat sales, but Canadian millers claim it is causing irreparable damage to their sales in foreign and British markets built up over a long period of years. It is feared Canadian wheat growers and millers may feel for years to come, the cumulative effects of this policy, irrespective of the actual profit or loss on the stabilization transaction.

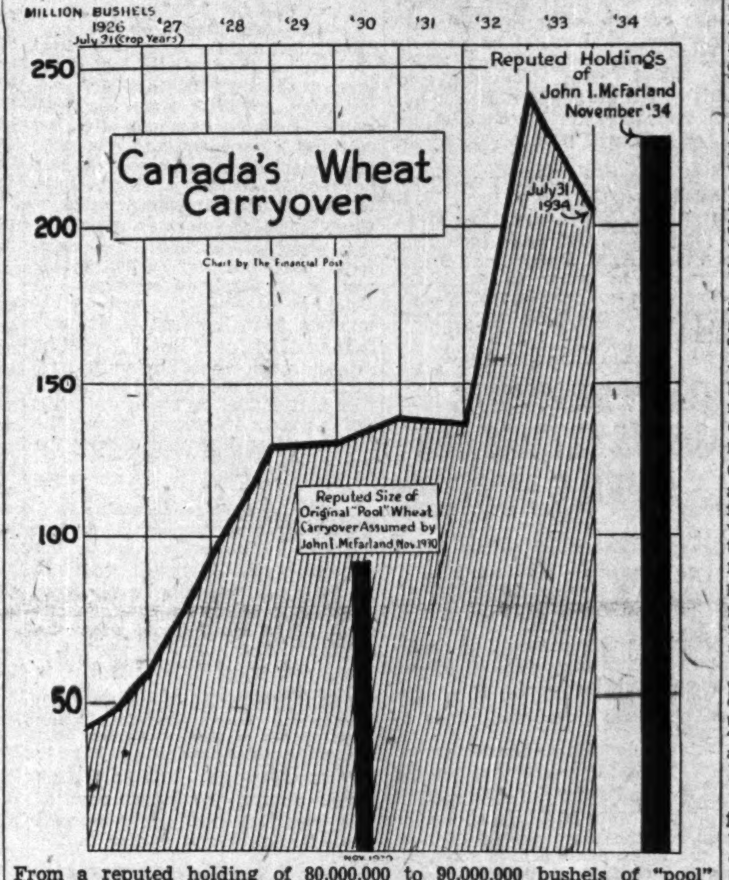
Next Few Months Will Tell

To sum up, it is evident that the next few months will be the most critical, perhaps the most exciting in the post-war history of the Canadian wheat trade. As the actual needs of the drought areas of the United States become apparent. As the new Argentine crop is harvested and marketed. As winter wheat prospects in the United States and other winter wheat areas become definite. As crop prospects in Canada and Europe crystallize for 1935. So will the fortunes of the last great wheat surplus of the world rise and fall.

And many vital interests are at stake. First, the wheat farmer himself. Then the Canadian taxpayer. Then the federal election itself which may reasonably be affected by the success or failure of a Bennett-sponsored undertaking. It is certain, for instance, that come what may, John McFarland will under no consideration serve under a Liberal administration. The Liberal party furthermore are believed to have very different ideas as to stabilization operations and are prepared to remove the cloak of secrecy and market the surplus (if any) which might be left on their doorstep in the event of them winning the election.

The future of the Winnipeg Grain Exchange is also tied up in this matter. For four years now, "futures" trading has been almost at a standstill except for the McFarland operations. Some western politicians assert the Exchange has failed to prove its worth and should be abolished. If it comes to a showdown the Exchange can effectively contest this view and show their usefulness to be as great as ever once the restricting influence of government stabilization operations is removed. The course taken will doubtless depend, however, on the success or failure of the McFarland operations.

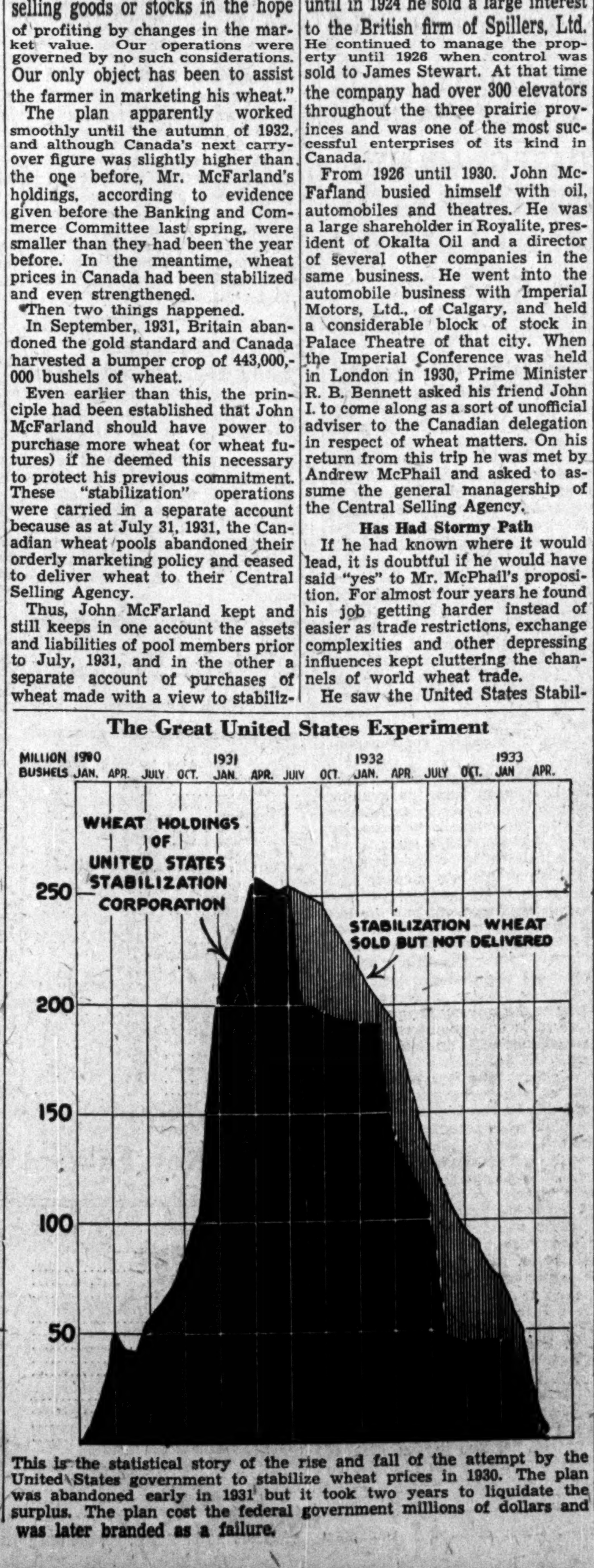
This is Canada's Wheat Problem



From a reputed holding of 80,000,000 to 90,000,000 bushels of "pool" wheat in 1930, which constituted less than half the "visible" wheat supply of Canada in that month, the McFarland holdings have now risen to a reputed figure of something over 90 per cent of the total or better than 225,000,000 bushels.

It is this surplus which Mr. McFarland is confident he can liquidate to a "normal" figure between now and the end of the crop year, July 31, 1935.

The Great United States Experiment



This is the statistical story of the rise and fall of the attempt by the United States government to stabilize wheat prices in 1930. The plan was abandoned early in 1931 but it took two years to liquidate the surplus. The plan cost the federal government millions of dollars and was later branded as a failure.

Bootlegging Menaces Profits of Distillers

Illicit U. S. Industry Thrives Under Umbrella of High Taxes

On December 5 Canadian distillery companies were able to look back upon one year of business vastly different from the preceding decade in that one year earlier a market of 120,000,000 people had been suddenly opened up by the ending of United States prohibition.

At the outset exporters saw in it the opportunity of a lifetime to make huge profits; in actual sober fact it proved to be a year during which bootleggers and smugglers maintained or possibly expanded sales while legally constituted distillers and law-abiding importers were handicapped by a customs duty of $5 a gallon for aged liquor and excise, warehouse and other taxes which the bandit makers and sellers largely avoided.

It is emphatic evidence of the merchandising ability of Hiram Walker-Gooderham & Worts and of Distillers Corp.-Seagrams that under these conditions they managed to extract from the new market as high a profit as they did. Canadian Industrial Alcohol as yet does not appear to have derived anything like the same benefit from the fact that it has millions of gallons of American-type liquor suitable for the United States market.

Many Hurdles in 1935

What about 1935 prospects? No doubt those companies which have been successful in 1934 will continue to be successful in 1935 but the real opportunities cannot be realized unless Government policy concentrates on the problem of beating the smuggler and the bootlegger. So far the United States Government, the various states and municipalities have vied with each other in seeing how much they can gather in taxes from the industry and a large part of the population might be content with this effort if it were successful. Most competent witnesses, however, agree that taxes collected are diminishing because the high rates give an impetus to illicit production and sale.

Federal Alcohol Controller Choate is authority for the statement that the illicit plants seized in the early months of 1934 had a yearly capacity of 271,623,000 gallons, or more than the whole legal industry. The unseized stills remain able to produce more than those that have been seized, in his informed opinion. Illicit distilleries are replaced as fast as they are seized; director Choate considers this as sure evidence that all of them are needed to meet demand from bootleggers. Thus these illegal spirits are in volume greater than was consumed before prohibition.

Taxes Really Preferential

Thus the existing demand is sufficient to take all that legal distillers can supply if the bootleggers were eliminated. Mr. Choate says that the Government is losing more taxes than it gets and that a highly organized and colossal criminal industry still exists "and still exerts its debauching tendencies on every governmental agency."

The legal distillers in the United States, and Canadian distillers who supply them with aged liquor to blend with their new product, have therefore all to gain in securing Government co-operation in the fight against the bootlegger. The latter's success is built on the fact that legal prices are from 80 to 400 per cent higher than before prohibition days in the United States. The legal distiller and importer assert that the largest element in the high price is the taxes. So they want these reduced and many officials agree with them. President Roosevelt has not yet been convinced, however. Vigorous law enforcement is his remedy but Mr. Choate thinks legal products should be given an opportunity to get on a competitive basis by lowering taxes as well.

Tax-paid withdrawals indicate a consumption in 1934 of 42,000,000 gallons of distilled spirits. The average from 1912 to 1916 was 130,000,000 gallons, including from 30,000,000 to 70,000,000 gallons consumed for blending purposes. The expectation for 1934 had been all the way from 105,000,000 to 200,000,000 gallons. Only the survival of bootlegging explains this disappointing difference, according to The Index for December.

Conditions of sale, as described by The Index, differ widely. In ten states monopolies exist for the sale of distilled spirits. In seven only beer and wine can be sold in restaurants. In all there are severe excise taxes and license fees. In Maryland each county is charged with its own control of liquor sales. A purchaser must have a permit to buy liquor in Montana, Iowa, Oregon, Washington and New Mexico. Iowa forbids drinking on the streets. Minnesota reserves the right to limit the profits of any liquor dealer. Indiana allows only drug stores to sell hard liquor. In 38 states hard liquor can be sold,

Permits were limited to existing plants or those already building, but even so the capacity is said to be 270,280,000 gallons with permission to add another 40,000,000 gallons up to 321,000,000 gallons. This is far beyond present capacity. The result is that the excess whisky is being stored for ageing. New securities have been permitted to the extent of $58,000,000 for distilleries. In 1914 total investment in distilleries was shown at $91,000,000. On August 31, 1934, a total of 68,343,000 gallons of whisky remained in bonded warehouses.

There are estimated to be 217,000 retail outlets of all kinds for the sale of distilled spirits and wine. Of these 200,000 were stores and the remaining 17,000 hotels and clubs. Disappointment with results from importations has reduced number of importers from 1,800 a year ago to 500 at present.

A condition which favors Hiram Walker's and Distillers Corp.-Seagrams, which have established manufacturing plants in the United States, is that the veterans in the industry are doing best. They are advertising and marketing conservatively and their ability to extend credit gives them a great advantage over mushroom concerns.

Saint John Harbor

Cargo Tonnage Gains

From Our Own Correspondent

MONTREAL.—An increase in imports last month gave the Saint John Harbor a greater volume of cargo tonnage than was reported for November, 1933. Last month imports amounted to 32,523 tons, exports 13,552 tons, total of 46,075 tons. For the same month last year the aggregate cargo tonnage was 41,118 tons, of which imports amounted to 26,873 and exports 14,245 tons.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Wanted

JUNIOR CLERK, FINANCIAL OFFICE. Apply with particulars. Box 64, The Financial Post, Toronto, Ont.

Rug Wanted

WE HAVE A POSSIBLE CUSTOMER for a fine Aubusson rug. Size, say, 18 ft. by 20 ft. Send particulars and price. Box 62, The Financial Post, Toronto, Ont.

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1934, making a total distribution of ten per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the 2nd day of January, 1935, to shareholders of record of the 20th December, 1934.

By Order of the Board.

Dudley Dawson,
General Manager.

Toronto, 15th November, 1934.

The Canadian Bank of Commerce

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, No. 25 King Street West, Toronto, on Tuesday, the 8th day of January next.

The chair will be taken at 11.30 o'clock a.m.

By order of the Board,
S. H. LOGAN,
General Manager.

Toronto, 23rd November, 1934.

The Bank of Nova Scotia

Notice is hereby given that the Annual General Meeting of the Shareholders of this Bank will be held in the Banking House, Hollis & Prince Streets, Halifax, on Wednesday, the 23rd January next, at eleven o'clock, a.m., for the purpose of receiving a statement of the affairs of the Bank, for the election of Directors and for other business.

By order of the Board.
H. F. PATTERSON,
General Manager.

Halifax, N.S.,
December 12, 1934.

The Whittall Can Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of one and five-eighths per cent (1⅝%), being at the rate of six and one-half per cent (6½%) per annum, on the Cumulative Redeemable, Preferred Stock of the Company, has been declared, payable January 2nd, 1935, to shareholders of record December 15th, 1934.

By Order of the Board.
D. H. MACFARLANE,
Secretary-Treasurer.

Montreal, December 10th, 1934.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by Provincial Paper Limited, payable January 2nd, 1935, to Shareholders of record as at close of business December 15th, 1934.

(Signed) W. S. BARBER,
Secretary-Treasurer.

Toronto, Ontario.

THE B. GREENING WIRE COMPANY, LIMITED

Preference Dividend No. 35

Notice is hereby given that a quarterly dividend of one and three-quarters per cent on the Preferred Shares of the Company has been declared payable January 1st, 1935, to shareholders of record December 15th, 1934.

F. J. MAW,
Secretary.

Hamilton, Ont., December 12th, 1934.

74th Quarterly Dividend

Notice is hereby given that dividend of Thirty-eight Cents pe share (being at the rate of On Dollar and Fifty Cents per annum on the no-par-value Commor Shares of the Company presentl issued and paid-up for Quarter ending December 31st, 1934, has this day been declared to shareholders of record, December 31st, 1934, on the Montreal and London, England, registers.

Dividend cheques will be mailed to registered shareholders January 31st, 1935.

By Order of the Board,
G. R. WHATLEY,
Secretary.

Montreal, December 17th, 1934.

Montreal Light Heat & Power
CONSOLIDATED

Owned by 60,000 shareholders, Montreal Light Heat & Power comprises the largest group of customer-owners possessed by any public utility company in Canada

ALCOHOL'S FUTURE DEPENDS ON SALES OF STOCKS IN U. S.

Gordon Scott Gives Outline of Position at Annual Meeting

From Our Own Correspondent

MONTREAL.—Salvation of Canadian Industrial Alcohol lies in the disposal of its American-type whisky, according to a statement made by Gordon W. Scott, president, at the annual meeting of the shareholders.

This is necessary, he went on to say, to take care of the bank loan amounting to $1,200,000 and the guarantee of principal and interest in connection with the $4,000,000 of Robert McNish debentures. He stated that there would always be a satisfactory volume of domestic business available to the company.

Payment Not Made

Sales through the agency of National Canadian Distillers, Inc., have been disappointing. Canadian Industrial Alcohol has a 50 per cent interest in this company and representation on the board, although National distillers of the United States manages the concern. The payment due to Canadian Industrial last summer was not forthcoming and directors are waiting to see what will be done about the payment due Jan. 1 before definitely deciding on future policy. Mr. Scott assured shareholders that everything that is humanly possible to move and sell their inventory was being done.

Description of Inventory

The company's inventory, in Imperial gallons, according to Mr. Scott, is as follows:

14 years and over	5,000 gals.
10 years and over	4,000 "
9 years and over	42,000 "
8 years and over	171,000 "
7 years and over	797,000 "
6 years and over	2,116,000 "
5 years and over	5,485,000 "
4 years and over	813,000 "

Clean Balance Sheet

Mr. Scott stated the recent balance sheet had been pared down in practically every possible way. The only other item that might be possibly written down is warehouses which are filled with American-type whisky, but the proper time for this will come after the liquor is disposed of, as they will probably never be filled again.

The following directors were re-elected: Hon. Gordon W. Scott, W. L. Bayer, Mrs. Eric Loder, Hon. W. G. Mitchell, K.C., George H. Montgomery, K.C., A. M. Reaper, and Fisher Wilmore. In order to bring the board to its full complement of eight directors, Claude S. Richardson was added.

DOM'N REVENUE GAINS $27,958,000 OVER 8 MONTHS

But Total Expenditures Increase $6,811,000 in Same Period

Dominion Government had an increase of revenue of $1,161,000 in November, bringing the total revenue increase since April 1 up to $27,958,000.

Total expenditures for November were $8,435,000 lower than in the 1933 month, but for the eight months to Nov. 30 were $6,811,000 above the total for the same period of 1933. In the eight months total expenditures, including non-active loans, were over $36 millions in excess of total receipts, compared with an excess of expenditures of over $57 millions in the same period of 1933. Thus there was a net improvement of $21 millions in the budget position in comparison with last year.

November Changes

Chief reason for the decline of expenditures in November was the change last year in the coupon date on the 1933 Victory loan from Nov. 1 to Oct. 15. This made ordinary expenditures appear high in October compared with the 1933 month and low in November. The decline in public debt charges in November from the 1933 figure for the month was over $6,000,000.

Another noteworthy feature of the expenditure statement for November is that a credit of over $3,000,000 is shown for the month in cost of loan flotations among special expenditures. But for this unexplained credit and the change in interest charges on the public debt, the November expenditures would be higher than for the 1933 month. Special expenditures are actually increasing but this item obscures the fact in the November total.

Comparative figures follow:

Dominion Revenue and Expenditure Eight Months to Nov. 30

	1934 $ 000's	1933 $ 000's	Change $ 000's
Revenue:			
Customs duty	51,813	42,237	+9,576
Excise duty	30,127	24,768	+5,359
Excise taxes	74,272	66,986	+7,286
Income taxes	52,193	51,746	+447
Gold taxes	4,557	......	+4,557
Post office	18,570	17,920	+650
Miscel.	13,530	13,245	+285
Special	233	435	—202
Total	245,295	217,337	+27,958
Expenditure:			
Ordinary	243,458	239,016	+4,442
Special	31,251	27,031	+4,220
Capital	6,759	8,610	—1,851
Total	281,468	274,657	+6,811
Month of November			
Revenue:			
Customs duty	6,514	6,048	+466
Excise duty	3,985	3,168	+817
Excise taxes	10,408	11,058	—650
Income taxes	2,788	3,319	—531
Gold taxes	684		+684
Post office	2,588	2,100	+488
Miscel.	2,256	2,075	+181
Special	10	304	—294
Total	29,233	28,072	+1,161
Expenditure:			
Ordinary	46,643	53,115	—6,472
Special	875	2,688	—1,813
Capital	209	359	—150
Total	47.727	56.162	—8,435

DIVIDEND NOTICES

BILTMORE HATS, LIMITED

NOTICE is hereby given that a Dividend of One Dollar ($1.00) per share has been declared on the outstanding Common Shares of the Company, payable January 15, 1935, to stock of record Dec. 31, 1934.

By Order of the Board,
W. F. FRANKE,
Secretary-Treasurer.

Guelph, December 19th, 1934.

Wheat

Small Wheat Movement

WINNIPEG. — International wheat trade last week fell to the lowest level since the war, and instead of the small shipments from the Argentine making a place for increased business from Canada, exports from this country were only 1,700,000 bushels. Buyers seem to be determined to await the effect of the marketing of the new Argentine crop before making commitments. News that Argentine farmers are discontented with minimum prices which have been set by the government and that there may be a move toward holding for higher prices caused a slight strengthening of sentiment at the beginning of this week, and some export transactions were reported.

Liverpool appears for the moment to be more impressed by the fact that Australia has a considerable quantity of old wheat to dispose of rather than the small size of the crop of which harvesting is in progress, or the fact that Australia is finding a reasonably good outlet in the Orient. Continental demand for grains has been lessened by the fact that late rains revived pastures which had been exhausted during the summer drought, and need for purchased feeds was correspondingly lessened.

* * *

French Action Too Late

WHILE the new French policy of lowering, and later abandoning minimum prices for wheat is bullish for the long outlook, it comes too late to affect the quantity of wheat to be produced in next year's crop, although the cheaper bread which is foreshadowed may result in increased consumption.

Some Liverpool dispatches suggest that there may be a reappraisal of the wheat situation after the holiday season is over, which will result in a greater interest in the market, with the prospect of continuance of small interest for another week or two.

* * *

Argentine Crop

THE fact that the Argentine wheat crop is substantially below the level of the very heavy crop of last year, by anything from 35 to 50 million bushels, does not alter the fact that it is evidently a fairly large one, establishing an export surplus between 125 and 150 million bushels. Of this, Brazil may take as much as 40 millions, and former Argentine marketing policies lead to the expectation that close to 3,000,000 bushels weekly are likely to be shipped to British, continental and other markets from the first of January to the end of June. But if Argentina ships as much wheat during the first half of 1935 as she shipped during the first half of 1934, as seems probable, she will have less to ship during the latter half of 1935 than during the latter half of 1934.

* * *

British Look to Argentine

BRITISH and continental buyers seem to be proceeding in the expectation that they will be able to fill their requirements largely from Argentine wheat. A change of sentiment might come about after the holiday dullness in the market is over, and when it is possible to appraise the output of the southern hemisphere more exactly. They might come to the conclusion that apparently they are going to have to rely on Canadian wheat to a large extent during the latter part of 1935, and that they might as well commence to use it earlier in the year.

Again, a movement of Canadian wheat in quantity into the United States might develop a feeling that supplies of our wheat should be secured now, before any price advances take place that might be induced by such sales. For the present, however, such developments remain merely possibilities, with overseas buyers maintaining their indifference to supplies from Canada.

Expect Request Tariff Revision Cotton, Rayons

From Our Own Correspondent

OTTAWA. — Announcement that the British cotton and rayon industries intend to submit a case under the Anglo-Canadian trade treaty for a downward revision of the Preferential Tariff has revived interest in Article 11 and in the last pre-election budget to be brought down next session.

The cotton application has not yet reached Ottawa and will not come before the Tariff Board, probably, until January. This will preclude a report in time for action in the 1935 budget. But the board has other applications from Britain under review and great interest is manifest in the outcome.

The most important concerns the woollens case, the first to be forwarded from the United Kingdom. This case came before the board in June 1933 and in an interim report last spring it was announced that little progress had been achieved. At that time the board made it clear that the treaty method of tariff making—equating production costs—was to be adhered to. The difficulty arose in getting comparable cost figures.

Rumors in circulation on Parliament Hill are to the effect that the board is overcoming difficulties and may be able to turn in a final report in time for action next session.

There are also in circulation well grounded rumors to the effect that Hon. E. N. Rhodes is making a thorough revision of the Preferential tariff with a view to reducing rates on British goods wherever possible.

The Toronto Mortgage Company

Quarterly Dividend

NOTICE is hereby given that a Dividend of Three per cent., upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

2nd January, 1935

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,
WALTER GILLESPIE,
Manager.

Grain and Milling in Canada

SMALL REDUCTION GOVT. HOLDINGS SEEN RECENTLY

But No Change in Policy Indicated, However

From Our Own Correspondent

WINNIPEG.—Some reports during the past week of selling of wheat futures attributed to the Government agency appeared to cause some surprise, which, however, was quite unwarranted. It must be supposed that holdings on government account reached a maximum with the rising of the visible supply of Canadian wheat to a maximum, and that from now on they will gradually decline. If they are of the size attributed to them generally in trade circles, that is close to 225,000,000 bushels, they could not possibly be maintained there and at the same time allow the limited volume of export business which has been in progress to proceed.

Current deliveries of wheat by farmers are not much in excess of 2,000,000 bushels of wheat weekly. Domestic milling consumption runs close to one million bushels weekly, and if exports are made at the rate of no more than four million bushels weekly, stocks would be expected to decline at the rate of at least three million bushels a week.

Public Interest Small

It has appeared lately that public and trade holdings of futures are almost at the minimum possible, and that consequently any decline in stocks held, practically all of which may be assumed to be hedged in the futures market, should be accompanied by a corresponding decline in the holding of futures on government account. Any increase of trade or public interest in the futures market would enable a still larger reduction to be made in holding of futures on government account.

They can, of course, decline largely before getting down to the level prevailing at July 31 last, before the current crop came on to the market, when they were less by possibly 100,000,000 bushels than the level recently reached. This was due to the reduction of stocks at that time to a year-end basis, and to the fact that there was at that time a much larger trade and general interest in the market than has recently prevailed.

No Change in Policy

Such selling of government futures as may proceed in practicable maintenance of some export business does not justify any conclusion that there has been any change of policy in respect to the handling of government holdings, or support the story sent out from Ottawa by one correspondent to the effect that the government, dissappointed at the failure of the international wheat conference at Budapest, had decided upon a policy of liquidation of holdings. It is rather in accordance with what might have been expected from the policy previously pursued, and that which was evidently followed during the corresponding time last year.

Both Mr. McFarland and other spokesmen for the government have made it clear that they expect a very large movement will take place of Canadian wheat to the United States, and if that develops a corresponding reduction will of necessity take place in the holding of futures on government account.

COAST GRAIN MEN ASK LOWER RATES ON FEED EXPORTS

Hope Export Rate Extended to Cover Feed to U.S.A.

From Our Own Correspondent

VANCOUVER.—Grain men here hope for an early announcement that the railways have decided to grant the benefit of the export freight tariff on wheat to low grade wheat consigned to the United States. There has been no formal application to the Board of Railway Commissioners in this respect, but the matter has been taken up directly with railway officials.

To avoid complicating the issue with the application of British Columbia, now before the Railway Commission, for abolition of the mounting differential on freight rates, the request made to the railways has been limited to an emergency six months application of the desired rate to Vancouver on low grade wheat. Any wider request, it was felt, would introduce controversial issues.

40c. Average Rate

At the present time the average freight rate on grain from Alberta points to Vancouver is 40 cents per hundred pounds. But if grain is exported to countries other than the United States this rate is cut in half to 20 cents. Grain companies bringing grain to Vancouver pay the export rate when grain is delivered to the Vancouver elevators, and they are bound to pay the difference between that and the domestic rate unless they furnish evidence satisfactory to the railway company that the grain is subsequently exported in accordance with the terms of the tariff.

The export rates on wheat are the result of a former decision by the Board of Railway Commissioners, by which such rates to Vancouver were ordered to be placed on a parity with eastbound rates to Fort William. Why shipment to the United States was not to be considered export under the terms of the tariff is not clear without consideration of various factors affecting Pacific Coast rates, and the exclusion has not caused any particular disturbance up to the present time.

Fear U.S. Competition

But had the exclusion not been made, flour mills in Pacific Coast States would have been able to buy Canadian grain and compete in export flour markets on equal terms with flour mills in Western Canada, and in some cases would have an advantage. Then, in the case of lowering or abrogation of duties on grain by the United States, a situation might have arisen in which United States residents on the Pacific Coast could buy Canadian grain products cheaper than people in British Columbia, and in which re-export to Canada might have been made use of to avoid the high domestic freight rates.

The local situation, however, is not at issue just now. There is no demand for Canadian grain in the north Pacific Coast states which are well supplied themselves. What grain men here want is a chance to ship feed wheat to points on the Gulf of Mexico, and to New England States. True, there is little proof yet that business can be done in Canadian wheat to those ports, at which Argentine and French wheat may possibly be laid down more advantageously, but expectations are constantly held out that the United States Government may shortly relax restrictions on imports sufficiently to make business possible.

U. S. Feed Demand Remains Uncertain

Many Possible Solutions Seen—Canada Seems Logical Source of Needs

From Our Own Correspondent

WINNIPEG.—The great question of the wheat market continues to be the extent to which the United States may buy Canadian wheat for livestock feed. It is not difficult to show statistically that the United States needs every bushel of surplus wheat that now exists in Canada, and that if our whole supply should be transported across the line there would still be a tremendous shortage of feed grain in the United States. But between needing our grain and wanting it there is a big gulf, and another gulf between wanting it and buying it.

Livestock in the United States continue to be slaughtered, to an aggregate of millions of head, partly because there is not feed enough to carry them along, but more importantly because their owners can see nothing but a loss in buying feed at current prices and producing more meat to sell at prices which now prevail. Sooner or later a sharp rise in the price of cattle and hogs is to be anticipated when the full effects of the present situation have had time to work themselves out. Immediately there is a great glut of meat, caused by the premature slaughtering of so many animals, and this, in spite of low prices, is moving but slowly into consumption because of the limited purchasing power of so large a part of the population.

Lower Tariff Advantageous

From outside of the county it is easy to calculate that it would be in the interest of the farming industry of the United States not only to secure more feed for livestock, but to admit feed grains in such measure as would bring down the price sufficiently to enable them to be bought by farmers. It would seem that the temporary advantage to the limited number of farmers who have feed to sell, and are able to sell limited quantities under present conditions is dearly bought if it means the sacrifice of later markets through the destruction of livestock which might consume later crops.

But it is not clear that the agricultural administration of the country, which set out to reduce the production of meat animals in the country, and last year bought and destroyed great quantities of pigs, is as yet alarmed over what is happening to the livestock industry, or believes that it will be cut down to an undesirable extent. Present low livestock prices appear to be regarded with equanimity, apparently in the belief that as soon as the forces of liquidation are spent they will be followed by a period of high meat prices.

Direct Relief Problem

Nor is it yet clear to what extent government forces are prepared to extend direct relief to farmers in the drought stricken north-western states in order to enable them to carry livestock through. Liquidation of herds has apparently been regarded as the proper step to be taken under the pressure of feed scarcity, and this has been encouraged by direct government purchases of cattle, some of which have been destroyed on the ground, and some forwarded to packing centres for slaughter.

There does not appear to have been arrived at a reconciliation of the government policies directed to the raising of prices by bringing about a reduction of production, and the policies based on fighting the effects of the drought, which must be based on a restoration of production.

The most hopeful development from the standpoint of the western Canadian farmer would be to find the United States government willing to purchase direct large quantities of feed grain, importing it without regard to the duty, and distributing it to needy farmers without charging them the full cost price. Such a development would appear to be a possibility, but so far a highly uncertain one.

Canada Logical Source

For the states in question it would appear that feed supplies could be obtained more economically from Canada than either from other parts of the United States or by importing them from other sources. In the eastern and southern states French or Argentine wheat may possibly be laid down more cheaply than Canadian supplies can be made available, but there is a great area south of the boundary where perhaps the need of feed is the greatest for which Canada would be the logical source of supply.

Time Factor Important

The time factor is an important one. The United States might use up its own supplies of feed grain during the winter months, for which there would be a sufficient supply, and allow the scarcity to become more intense during later months, in the hope of bridging the gap before production of another corn crop with early pastures and early crops of small grain.

Coarse Grain Exports Show Considerable Gain

Barley exports in November totalled 2,919,379 bushels valued at $2,027,471, of which 2,038,044 bushels at $1,561,654 went to the United States and 570,285 at $304,447 went to the United Kingdom. The barley export a year ago was very small.

The export of oats, amounting to 1,674,314 bushels at $615,831 was about three times greater than last year. The rye export of 38,551 bushels at $24,019 all went to the United Kingdom.

Wheat Prices

(Cash Quotations)

	Aver. for week Dec. 7	Previous Week
At Winnipeg:		
No. 1 Hard	.817	.811
No. 1 Northern	.798	.794
No. 2 Northern	.765	.753
No. 3 Northern	.739	.728
No. 4 Northern	.702	.697
No. 5 Wheat	.699	.689
No. 6 Wheat	.711	.703
Feed Wheat	.706	.698
At Vancouver:		
No. 1 Northern	.802	.768
At Toronto:		
Milling Wheat	.95	.92-.95

Competitive Export Prices

(Dec. shipment)	High Week to Dec. 14	Low
No. 1 North. (Vanc.)	.97	.95⅛
No. 2 North. (Atlan.)	.94⅛	.93
No. 2 North. (Vanc.)	.90⅛	.87⅞
Argentine, Rosae	.67⅞	.65⅛
Do., Barusso	.68⅛	.67⅛
Australian	.69	.68
West Australian	.71⅞	.71⅛
French	.59⅛	.57⅞

WHEAT EXPORT VALUE LOWER LAST MONTH

Total Exports Show Fair Advance, However — Imports Higher

For the first time in the past six months, the value of exports of wheat in November was less than in the corresponding month a year ago. For many months, the amount exported has been smaller but the higher prices prevailing have previously more than offset this.

Total exports in November of all products amounted to $65,124,512 as compared with $60,384,590 in November a year ago. Meats, newsprint, lumber and copper made the chief advances while declines are noted in wood pulp and unmanufactured nickel.

Imports during the month totalled $49,960,595 as against $43,711,559 in the corresponding month of 1933.

Names Three Causes Reduced Wheat Demand

Three special constricting influences on demand for wheat were mentioned by W. Sanford Evans in a recent address before the Grain Market Analysts Club, Chicago. First, he said, the price of wheat to the consumer has been made relatively high by tariffs, processing taxes, controls and restrictions of various kinds.

Second, milling regulations on the continent of Europe and the comparatively high prices of Canadian and United States wheats, due to public policy, have reduced demand for the poorer bread thus produced. Third, is the effect upon salesmanship of the various influences. Salesmanship of wheat and flour is at a very low ebb, he said.

Vancouver Taxes Reduced Third Consecutive Year

For the third successive year taxes have been reduced in Vancouver. There has been a reduction of $10,879,338 in the taxable valuation of property. On the basis of the existing rate of 39.88 mills net, this will mean a drop of $345,000 in the general tax levy for 1935.

Reductions in 1934 represented a drop of $560,000 and in 1933 $150,000 or a total of over $1,000,000 since 1932.

The total of the 1935 assessment roll is $403,078,217 of which $347,663,737 is taxable, and $55,414,480 exemptions.

Key Facts About Wheat

	Week bu.	Prev. Week bu.	Same Wk. Yr. Ago bu.
Canadian Wheat in Store:			
Fort William, Dec. 14	54,331,946	53,553,670	61,680,963
Country elevators, Dec. 7	97,316,885	96,791,797	105,117,150
Total, all points, Dec. 7	254,610,324	254,477,328	243,449,535
World Shipments, incl. flour, Dec. 15			
North American	1,887,000	2,292,000	3,361,000
Argentine	1,286,000	3,586,000	843,000
Black Sea*	72,000	96,000	2,016,000
Australian	1,236,000	1,729,000	1,125,000
Total, world	6,409,000	8,322,000	8,912,000
Visible Stocks, Dec. 8			
Canadian	140,669,000	140,477,000	128,919,000
United States	90,294,000	90,986,000	127,174,000
Argentine	11,757,000	12,124,000	8,083,000
Australian	8,240,000	10,000,000	8,240,000
Country Marketings and Exports†			
Canadian exports, Dec. 7	1,997,915	3,240,532	3,326,788
Cum. to Dec. 7 (19 weeks)	55,434,274	53,436,359	71,317,053
Country marketings, Nov. 30	3,725,633	4,205,935	3,955,611
Cum. to Nov. 30 (18 weeks)	161,531,342	157,805,709	151,385,169
Country deliveries, Dec. 14‡	3,153,000	2,464,000	2,339,000
Country loadings, Dec. 14‡	2,722,000	2,593,000	1,752,000

* Includes South Russia. † Excluding flour. ‡ Sanford Evans Weekly Report.

Farm Markets Schemes Damned and Praised

While Average Agriculturist Remains in Dark Compulsory Plans Come Before Ottawa — Much Depends on Local Support — B. C. Sees Means of "Provincial" Tariff

Various schemes designed to control the marketing of different agricultural products are being passed along to the newly organized Dominion Marketing Board at Ottawa. Some of these have already been passed and more are being considered. All sorts of plans from as many different provinces, The Financial Post is informed, have been sent to Ottawa for approval.

Doubts Wisdom of Compulsion

An official of one of the most successful agricultural co-operative organizations in Canada, expressed extreme doubt as to the wisdom of any form of compulsory marketing. His own experience with such, he stated, had been unsatisfactory and he did not want his association to be presented with a lot of unwilling members. Moreover this authority had a great deal of respect for competition.

"With every producer of a certain product in Canada selling through us whether he desired to or not," stated this man, "we would soon slip back into a routine machine, buying and selling regularly but with no incentive from competitors to keep us on our toes the whole time." He also was extremely doubtful whether any national scheme, embracing a product of very wide range, would work as a single unit. Different groups producing this product would have different ideas and some would favor selling at a certain time and to a certain market when others desired to hold back.

But this authority was especially doubtful of the wisdom of rushing through any scheme of which so many of the producers concerned were utterly uninformed. "When the minority of farmers wake up and find that marketing control of their own products has been taken away from them, I am afraid that shotguns will be taken down off the wall," he said.

Provinces Hold Key

It has been admitted to The Post by backers of the Dominion Board that nothing in the way of marketing control can be effective without the full co-operation of the various provinces. Implementing legislation will have to be passed. With the five largest provinces already on the other side of the political fence to that occupied by the present federal government, and with two more, Alberta and Manitoba either in between or to one side of the fence altogether, it is considered unlikely, by observers interviewed by The Post, that provincial implementing legislation will be quick in forthcoming.

About the best that is expected from any scheme of marketing control, as far as The Post can ascertain, is for some regulation over the selling and producing of such highly specialized and extremely limited crops as tobacco, beans, seeds and possibly the different fruits. These cannot be grown over a wide area, it is pointed out, and therefore there would not be the constant danger of new areas coming into production to spoil any scheme designed to raise prices. With such widespread crops as wheat, potatoes and barley and livestock or livestock products, which are raised in practically every province, it is felt that any successful increase in the price received by the producer would be immediately followed by embarrassing gluts from wider growing areas.

Four Schemes Up

From Our Own Correspondent

OTTAWA. — Three marketing schemes, with a fourth in the offing, are now before the Dominion Board and early action on two of them is expected. The potato scheme, affecting production in the five eastern provinces, is practically through the Board and, it is learned, will be approved within a few days.

The egg and poultry schemes, all identical, proposed by the co-operative associations of the three

(Continued on page 15)

NORRIS GRAIN COMPANY
LIMITED
WINNIPEG AND TORONTO
PRIVATE WIRE SERVICE
GRAIN AND STOCKS
Represented by NORRIS GRAIN CO. at
London, Liverpool, Chicago, New York, Toledo, Kansas City

BARNETT-McQUEEN COMPANY LTD.
Designing Engineers and Contractors—All Classes of
GRAIN ELEVATORS — WAREHOUSES
DOCKS — AND HEAVY STRUCTURES
PROPOSALS INVITED
"Nothing too Large or too Small"
Head Office: 460 Christina St.
Mail Address: P. O. Box 547
FORT WILLIAM, ONTARIO

From Wagon to Sea-Board —
---Fair and Efficient dealing is the "A.P." Standard of Service.
The ALBERTA PACIFIC GRAIN COMPANY Ltd
LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

Northern Elevator Company
Limited
Incorporated 1893
OLDEST ESTABLISHED GRAIN FIRM IN CANADA
40 YEARS OF CONTINUOUS PUBLIC SERVICE
Head Office:
GRAIN EXCHANGE — WINNIPEG, MAN.

THE CANADIAN CONSOLIDATED GRAIN
COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants—Shippers and Handlers of All Grains
Head Office: WINNIPEG CANADA

Insurance for Buyer and Seller

INSURANCE BRIEF ON ONTARIO RISKS APPEARS SHELVED

No Action Taken by Government to Set Up Fund

BUT COMMISSIONS ACT

Hydro and Liquor Control Board Act Independently —German's Suggestions Outlined in Brief

The exhaustive report on provincial insurance prepared and presented to the government by G. A. German, Toronto insurance broker, has apparently been shelved. While the report was in course of preparation, the Hydro-Electric Commission went ahead with its own self-insurance scheme and since its completion the Liquor Control Board has set up its own fund for fire insurance coverage. The report suggested that the insurance of these two departments of government, along with all other department insurance, be handled through the same agency.

Whether or not further consideration will be given by the government to the German report is not known. Meanwhile, however, policies are not being renewed as they expire although no fund to handle losses has been set up, as far as is known. A certain portion of the insurance is being handled by Mr. German, although it is believed that he has no authority to renew any policy.

Outline of Plan

Mr. German's plan to reduce the amount of premiums and set up a fund to handle losses is outlined in his report, as follows:

"That the province and its commissions set up immediately a sinking fund sufficient to look after five per cent of the existing hazard. Let this be increased every three years at the rate of an extra five per cent, up to a total not to exceed 30 per cent of the existing hazard. Under no circumstances, however, does the province or its commissions or its subsidiaries carry more than $5,000 in the first three years, $10,000 in the second three years, $15,000 in the six years following, $20,000 for the following three years and $25,000 for all subsequent years on any individual hazard.

"Let the various departments of the province, the commissions and boards pay into this fund the same proportion of premium which they pay to regular insurance companies and that this fund be created by special legislation so that under no circumstances can it be depleted by borrowing or withdrawals for anything except to pay losses. I understand from reliable sources that special legislation can be passed to meet this requirement.

"With the exception of special cases no insurance coverage at all be carried on any properties with a less value than $5,000 and that no fund be set up to take care of losses occurring on such properties."

Form Committee

To handle this fund and advise on all matters pertaining to insurance, Mr. German suggests that the deputy ministers of public works, deputy provincial secretary, assistant secretary of the Hydro, the Toronto vice-president of the Fire Underwriters' Board, the Fire Marshal and the writer form a committee.

In view of the fact that, as is pointed out in the report, the provincial buildings and contents are now insured for only about 11 per cent of their replacement value and that it is suggested that they be insured for 80 per cent of value, the proposals made in the report would apparently result in a large increase in the amount of annual premium. It is suggested in the report, however, that the income from the fund, eventually would be sufficient to pay insurance premiums on the balance of the risk.

Annual Premiums

Annual insurance premiums when the present government took office amounted to $261,635, divided as follows: fire, $100,492; motor vehicle $31,335; liability, guaranty bonds, robbery, etc., $129,808. There were approximately 2,186 policies covering various properties and hazards. Possibility of rate reductions through blanket coverages in some cases is suggested.

Lack of uniformity in automobile coverages carried on vehicles operated by the various departments of government is commented on by Mr. German

Regent Knitting Mills Adopts Group Insurance

From Our Own Correspondent

MONTREAL. — Regent Knitting Mills has adopted a group insurance programme which provides 400 employees with a total of $310,500 of life insurance. The plan, which is underwritten by the Metropolitan Life Insurance Co., includes a co-operative provision, whereby the cost is borne jointly by the employer and employee. Individual coverage includes life insurance ranging from $600 to $3,000, according to class.

Insurance Inklings

W. G. GOODWIN was recently elected president of the Life Underwriters' Assocn. of central Nova Scotia. Headquarters of the association are at Truro, N.S.

MALCOLM LENNOX, president, Canadian Automobile Service Assocn., was recently elected president of the Ontario Insurance Adjusters' Assocn. L. R. Freeman of the Zurich was named vice-president, and J. G. Mackenzie, Pilot, secretary-treasurer.

F. A. ROSS, C.L.U., Dominion Life, has been appointed manager at Port Arthur.

BERNARD VISE, C.L.U., Imperial Life, was named chairman of the recently-formed chapter of Chartered Life Underwriters, in Toronto. Norman McKibbon, C.L.U., Dominion of Canada, was elected vice-chairman.

Confederation Interest Rate Never Below 4.25 Per Cent

That the interest rate earned by the Confederation Life Association in its 63 years of existence has never in any year dropped below 4¼ per cent is one of the interesting conclusions made in a recent survey by that company.

Since 1871 the company's assets have increased to a total of $94,000,000 of which 37 per cent is now invested in government and municipal bonds; 15 per cent in other types of bonds or debentures; 19 per cent in policy loans; 13 per cent in city mortgages; 4 per cent in real estate; 2 per cent in farm mortgages; 3.4 per cent in stocks and the remainder in cash and sundry assets.

By five-year periods the company states the average rates of interest to have been earned by the Association as follows:

Years	Average over 5-year Period
1874 to 1878	7.06%
1879 to 1883	7.30
1884 to 1888	6.22
1889 to 1893	5.21
1894 to 1898	4.45
1899 to 1903	4.55
1904 to 1908	5.12
1909 to 1913	5.45
1914 to 1918	5.51
1919 to 1923	5.76
1924 to 1928	5.68
1929 to 1933	5.37

STAKE IN CANADA OF U.S. LIFE CO'S IS $721,000,000

Investment in Government and Municipal Bonds Totals $450,000,000

That American life insurance companies increased their holdings of Canadian Government bonds by but $10,000,000 during 1934 was disclosed in an address by L. J. Arnold, president, Northwestern National Life of Minneapolis at the 28th annual convention of the Association of Life Insurance Presidents in New York city last week.

Total holdings of Canadian Government and municipal bonds by 49 companies whose assets comprise over 90 per cent of total investments of American life companies amount to $450,000,000.

This is the highest figure ever reached and compares with a previous peak of $448,000,000 at the end of 1932.

Thirty years ago, holdings of U.S. life companies in Canadian government and municipal bonds totalled but $22,000,000. The big increase came after the war when the figure jumped to $157,000,000. It increased steadily until 1932, fell off slightly in 1933, and recovered the loss during 1934.

$720,000,000 in Canada

Analysis of the investments of these companies at the end of 1933 shows total investments in Canada in all types of securities to have been $720,810,000. This is a decrease of $10,600,000 from the previous year.

In addition to holdings of Canadian Government and municipal bonds, these American companies held slightly less than $7,000,000 of Canadian farm mortgages; $82,000,000 of other mortgages, $65,700,000 of railway bonds and stock, $40,000,000 of public utilities bonds and stocks and $15,000,000 of other types of bonds and stocks. Policy loans and premium notes outstanding in Canada at the end of 1933 were $60,939,000. These companies also held approximately $7,000,000 of cash in Canada; $3,000,000 of real estate.

Another interesting feature of the report is that it shows American investments in Canada to be almost twice reserves of these companies in this country. Thus, against total investment of over $50,000,000, the necessary reserves in 1933 were only $375,000,000. This indicates the ratio of investment reserves of 192.1 for 1933. The corresponding ratio for 1932 was 198.0.

That Canada is virtually the only foreign government in which the U.S. insurance companies invest their moneys is shown by Mr. Arnold's address as follows:

"Bonds of foreign governments, representing 2.4 per cent of assets, total about $464,000,000 at the present time, of which $450,000,000 is in Canadian government and municipal bonds, all other foreign government bonds combined totalling only $14,000,000 . The most significant fact regarding the trend in foreign bonds is the abrupt change which took place after the World War. Before and during the war the bonds of all foreign governments represented a somewhat larger percentage in United States life insurance company portfolios than during recent years, ranging as high as 3.9 per cent in 1916 due to war-time demands. Canadian bonds then represented only a minor portion of these holdings.

"After the war, however, an abrupt decline in holdings of foreign government bonds other than Canadian, coincident with a rapid rise in Canadian bonds, resulted in a complete reversal of the relative importance of these two classes by 1924. During the ten years since that time Canadian bonds have continued to mount steadily while other foreign bonds have continuously declined but, curiously enough, the two classes combined have maintained an almost constant ratio to total life insurance assets, deviating from an average of 2.5 per cent by not more than two-tenths of 1 per cent in either direction.

Many Canadians Attend Life President's Meeting

Canadians registered at the 28th annual convention of the Association of Life Insurance Presidents at New York last week included Arthur B. Wood, president and managing director Sun Life of Canada; W. H. Somerville, general manager, Mutual Life of Canada; V. R. Smith, general manager and actuary, Confederation Life Association; Jas. W. Simpson, superintendent of agencies, Sun Life of Canada; A. G. Ramsay, assistant general manager, Canada Life; J. G. Parker, actuary, Imperial Life; H. W. Manning, assistant general manager, Great West Life; E. A. Macnutt, vice-president and treasurer Sun Life of Canada; C. S. Macdonald, president, Confederation Life Association; Leighton McCarthy, president, Canada Life; Geo. H. Hunt, superintendent of agencies, Imperial Life; Chas. P. Fell, president Empire Life; J. A. Ewing, legal advisor, Sun Life of Canada; John Appleton, secretary, Canadian Life Officers Association; C. S. B. Branch, Sun Life of Canada; F. C. Capon, acting manager for Canada, Prudential of England; R. Leighton Foster, Ontario superintendent of Insurance.

Tariff Body Defers Action On Auto Rates

Minor changes in the by-laws, to bring them into line with those of the C.F.U.A., was the chief business transacted at the annual meeting of the Canadian Casualty Underwriters' and Canadian Automobile Underwriters' Associations, held in Montreal last week. The changes are designed to facilitate closer co-operation between the associations in their membership of the Dominion Underwriters' Association.

Discussion of rates for 1934, usually the highlight of the annual meeting, was deferred until a meeting to be held in January, The Financial Post learns.

Election of officers resulted as follows:

Casualty Underwriters: Alec Hurry, Northern Assurance Co., Montreal, president; George Weir, Phoenix of Hartford, Quebec, vice-president; F. D. Knowles, U. S. Fidelity & Guarantee, Ontario, vice-president.

Automobile Underwriters: L. C. Evans, London & Lancashire, president; E. J. Kay, North British & Mercantile, Quebec, vice-president; A. C. Hall, Ocean Accident, Ontario, vice-president. J. H. King, Toronto, was re-appointed secretary-treasurer.

Insurance Problems

Insurance questions of general interest submitted by subscribers of **The Financial Post** will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Hardware Mutual

Would you give me some information as to the reliability and standing in Canada of the Canadian Hardware and Implement Underwriters, particularly as to their Ontario business?

Until recently, the bulk of the business done by this group of companies in Canada has been in Western Canada insuring implements and so forth. At the present time, we understand 65 per cent of their business in Canada is now in Ontario and Quebec. About 30 per cent of their business in Ontario is written under the auspices of the Ontario Retail Hardware Association.

Over a considerable number of years, the company has indicated its ability to write business economically and show a consistently low loss ratio. Their head office statement shows total surplus for the three companies of approximately $5,160,000 against assets of $13,800,000.

In Canada, they have on deposit approximately $700,000 for the protection of Canadian policyholders; an excess of assets over liabilities in Canada of $539,000 against total assets in this country of $977,000.

It must be remembered that all policies are liable for one year's premium in the event of the company going into liquidation. Legally, the group has sufficient surplus to apply for removal of this restriction but has never done so on the point of view that if the liability were not stated, there would be a possibility of even greater liability in the case of anything adverse happening to the company.

Policies are written in Canada under the name "Canadian Hardware and Implement Underwriters" but the business placed is divided equally between the three constituent companies, namely Minnesota Implement Mutual Fire Insurance Co.; Hardware Dealers Mutual Fire Insurance Co.; Hardware Mutual Fire Insurance Co. of Minnesota. This latter company was formerly called Retail Hardware Mutual Fire. The head offices of all three companies are in the United States.

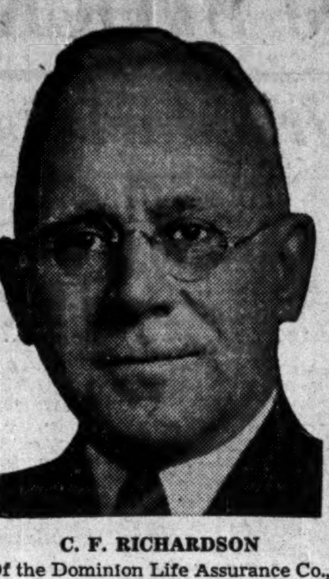
The company writes business as a rule at tariff rates but allows a dividend to policyholders depending as to size on the type of risk, etc.

Provinces Will Accept Same Insurance Returns

New regulations, under which the same annual company insurance return will be accepted by all provinces, instead of nine different returns, are announced. The change means a considerable reduction in the amount of work necessary and will be particularly beneficial to groups of companies. In cases of as many as six companies in a group, 54 returns were necessary to comply with all provincial regulations. Only 6 different returns are now necessary.

Donald Taylor, casualty secretary of the London Guarantee and Accident Co., is credited with the eventual success of the plea for this revision. Although the change now made has been suggested for a number of years, Mr. Taylor's suggestion to the 1933 conference of the provincial superintendents really started the movement which resulted in the change.

Toronto President



C. F. RICHARDSON

Of the Dominion Life Assurance Co., who was elected president of the Life Underwriters Association of Toronto at their annual meeting last week.

Other officers elected were: G. F. Crum, Crown Life, and C. V. Earl, Sun Life, vice-presidents.

INSURANCE SALES UP 15 PER CENT IN SEASONAL MOVE

November Total Almost Reaches Last Year's Figure

While failing to reach the total achieved in November a year ago, sales of new ordinary life insurance in Canada and Newfoundland last month recorded a seasonal gain of 15 per cent over the previous month and came within 0.3 per cent of the Nov., 1933, figure. Total sales of paid for business, excluding sales of annuities and pension bonds, amounted to $35,863,000, according to the Sales Research Bureau, Hartford.

Sales for the eleven months of the year to date, at $342 millions are now about $3 million or less than 1 per cent, below the figure for the corresponding total of last year.

All Provinces Gain

All provinces showed improvement last month over October, largest percentage gains taking place in the Prairie and Maritime provinces. Compared with a year ago, only Ontario and Quebec recorded reductions, gains in Manitoba, New Brunswick and Nova Scotia being substantial.

Life insurance sales remain one of the few indices of business activity which have, as yet, failed to show any marked progress from the depths of the depression. Recent revisions by the Bureau in excluding sales of annuities and pension bonds make comparison difficult with years prior to 1932, however.

Comparative figures follow:

(A) Sales By Provinces

	Nov. 1934	Oct. 1934	Nov. 1933
	$	$	$
B.C.	2,426,000	2,047,000	2,274,000
Alta.	1,662,000	1,299,000	1,515,000
Sask.	1,731,000	1,352,000	1,467,000
Man.	2,468,000	2,008,000	2,042,000
Ont.	14,659,000	12,945,000	16,179,000
Que.	10,120,000	9,404,000	11,283,000
N.B.	1,017,000	774,000	838,000
N.S.	1,268,000	1,130,000	1,062,000
P.E.I.	179,000	115,000	108,000
Nfld.	333,000	268,000	299,000
	35,863,000	31,342,000	36,061,000

Total sales:

Eleven months, 1933	345,259,000
1934	342,023,000
Decrease, per cent	1.0
Decrease, Nov., 1934 from Nov., 1933	0.3

(B) Sales By Months, 1932-34

	1932	1933	1934
	$	$	$
Jan.	39,289,000	29,928,000	27,728,000
Feb.	40,636,000	28,095,000	29,036,000
Mar.	39,858,000	31,763,000	32,564,000
April	35,922,000	30,591,000	33,296,000
May	33,653,000	31,916,000	33,184,000
June	43,912,000	34,114,000	32,277,000
July	36,720,000	32,165,000	33,951,000
Aug.	31,138,000	29,749,000	26,659,000
Sept.	27,974,000	27,443,000	26,123,000
Oct.	32,918,000	33,434,000	31,342,000
Nov.	37,417,000	36,061,000	35,863,000
Dec.	32,852,000	38,967,000	....

Figures represent new paid for ordinary business by 19 companies having in force at Jan. 1, 1934, 91 per cent of the total business in force in Canada. Figures represent both Canada and Newfoundland and are prepared by the Sales Research Bureau, Hartford, Conn.

New Life Co. Gets License In Dominion

On the understanding that the words "incorporated under the laws of Illinois" be used in a conspicuous place relative to its name, a certificate of federal registry has been granted at Ottawa to the Continental Assurance Co. to transact life insurance in Canada. Head office of the company is in Chicago.

Continental Assurance Co. is the running mate of Continental Casualty Co. with head office in Hammond, Indiana, which has been doing business in Canada since 1917. Executive offices of both companies are in Chicago. Chief agent in Canada of both companies is R. D. Bedolfe of Toronto.

The life company has been licensed in Ontario and will ultimately be licensed in the other provinces. It has deposited $100,000 as an initial deposit with the Receiver-General of Canada.

The company writes only non-par business and will extend its operations to all parts of Canada eventually. Definite plans as to organization will be available early in 1935.

Humphrey Joins Board Two Insurance Companies

From Our Own Correspondent

MONTREAL.—H. J. Humphrey, vice-president and general manager of Canadian Pacific Railway Co. has been elected a director of the British North Western Fire Insurance Co. and the Securities National Insurance Co. The head offices of these companies are located in Toronto, with branch offices throughout the Dominion.

Col. Robt. Massie Elected to Confederation Board

Col. Robert Massie has been elected a director of the Confederation Life Association.

Col. Massie is president of the Dominion Fire Insurance Co.; Asbestos Corp., Ltd. and Massie & Renwick Ltd., the insurance agency which bears his name.

Jobless Insurance Major U. S. Problem

Huge Social Scheme To Be Broached By Washington Early In January

By DR. GAINES T. CARTINHOUR
New York University

NEW YORK—One of the major economic issues confronting the U.S. at the present time is unemployment insurance.

Now that President Roosevelt has given it his public approval, this type of social insurance is being widely discussed throughout the country. Many in important positions believe some kind of legislation is going to be passed during the next Congressional session. The problem is particularly significant because even in 1929 the number of unemployed in the U. S. ranged between one and three million.

Favors Contributory System

Roosevelt is understood to favor a system supported wholly by contributions and maintained on a strict actuarial basis. Taxation is said to have no part in his plan. However, it is generally assumed that such insurance would be compulsory, which would mean compulsory contributions or what would really be taxes under a different name. He wants the states to set up their own insurance systems, administer the funds, pay benefits, etc.

Some of the basic problems involved in any unemployment insurance plan are whether the workers, employers, or the government shall make the necessary payments; how much shall be paid weekly; how will the unemployed qualify to receive the benefit payments; how much can these payments aggregate; how long can they be received; and who shall administer the fund?

Industry Keenly Interested

This matter is of vital concern to industry in the U. S. because it must inevitably bear a large share of the cost under almost any conceivable plan. Every employer of labor will be directly affected by the manner in which the problem is handled by Congress and in his own state. Many are beginning to believe that some such system would be preferable over a long period of time to a system of heavy government relief outlays.

The National Association of Manufacturers at its recent convention in New York indicated it had no objection to such a system and even outlined what it believed to be an ideal plan. The National Association of Automobile Manufacturers went even further lately and officially approved a systematic plan of unemployment compensation to involuntarily unemployed persons who are able and willing to work. They appear to favor a system somewhat like the Wisconsin plan, while the administration leans toward the Ohio plan (both of these plans will be summarized briefly).

Quick Legislation Probable

A Federal measure will undoubtedly be brought up early in the session so that the states may put through correlative laws. Most of the legislatures convene in January and for comparatively short terms so Congress will probably take quick action on the matter.

The Wagner-Lewis Unemployment Insurance Bill, which was passed by the Senate during the last session, levies a five per cent payroll tax on manufacturers with more than 10 employees in states which do not adopt a job insurance plan. It is designed to encourage states to set up their own unemployment insurance systems.

This is because the law permits contributions paid under a state plan to be deducted from the five per cent due under the proposed Federal law. The latter at present does not state whether the employers or employees or both shall make the necessary payments. This measure would hasten the various states, so it is believed, in their adoption of state bills because business men would prefer to keep their money at home in local funds, if for no other reason. It has been estimated that with a $20,000,000,000 U. S. annual payroll in the manufacturing and other industries which would be covered by the plan on a five per cent tax basis, $1,000,000,000 would accrue for unemployment insurance funds.

Many Revisions Likely

If it is again presented to Congress many revisions will likely be made probably reducing the tax to three per cent and extending the period for the benefit payments from 10 weeks to 26 weeks. The constitutionality of the proposed tax on payrolls from industries in states which do not adopt such an insurance plan is sure to be challenged.

Advocates of the Federal law say that it will hasten state legislation, facilitate standardization of state laws on the matter, and equalize competitive conditions in states which do and those which do not have such laws. It is quite likely that many state legislatures will pass these measures during their next session. In 1933 such bills were introduced in 25 states and in 1934 in 35 legislatures.

Few Seek State Aid

The majority of the measures either provided for an investigating committee, favored the Wisconsin Act, or followed along the lines of the proposed Ohio bill. The majority of them put the cost upon employers, or employers and employees, with very few providing for state contributions in addition. New York is particularly interested in unemployment insurance, according to reports, and favors a bill providing for benefits paid from a state fund to which all private employers employing four or more persons must contribute three per cent of their payroll.

Two Types of Coverage

The two broad types of insurance being considered in the U. S. are known as the "insurance" type and "reserve" type. The former is state-operated and calls for contributions both by employer and employee with the funds kept in a single state pool. There is no connection between the contributions from and benefits paid to particular concerns. It is modelled upon European unemployment insurance systems, and is based on the belief it can be established on a sound actuarial basis. However, it is provided that during prolonged periods of unemployment the benefits may be cut down. Employers must pay two per cent of their payrolls and employees one per cent. This plan is based on the theory of social responsibility for the victims of unemployment regardless of who is responsible for this situation.

The "reserve" type, best illustrated by the Wisconsin plan, sets up segregated company or industry reserves with only employers contributing. Each concern has its own fund and only employees of the particular organization are entitled to benefits from the fund. If an employer has more than 10 employees, he must pay an amount equal to two per cent of his payroll into the fund each year. This plan is strongly favored by the American Federation of Labor, as would be expected. Benefit payments do not begin until July 1, 1935, but the fund is being built up now. The theory behind this plan is that unemployment is the particular responsibility of the individual employer or industry.

There is much bitter discussion today in the U. S. as to the relative desirability of the Ohio and Wisconsin plans. Basically, the issue is largely between individual versus pooled reserves. In other respects, the two plans are very much the same. Payments are restricted to a certain number of weeks per year, etc.

Unemployment insurance funds are operating in nine foreign countries, in six of which the state contributes as well as employers and employees. But such systems of so-called insurance continue in operation only in the sense that benefits are being paid. They are no longer insurance systems in any very significant sense of the term. The amounts which have been paid in have been inadequate to meet the risks; rates of assessment as well as benefit payments have not been kept up as originally planned; and even after substantially reducing payments it has been necessary for governments to meet the emergency by large unexpected contributions.

The Advisory Council, appointed by President Roosevelt to study the problem, reported several days ago that it favors unemployment insurance administered by the state, but with a government subsidy to states which conform to Federal standards in the matter. These states that do not comply with the latter would not be given Federal aid. Some authorities in the field believe that if the Cabinet Committee working on job insurance approves the report, it will be endorsed by President Roosevelt. Further details of the report are not as yet available.

Bruck Silk Mills Sales Continue Good

From Our Own Correspondent

MONTREAL.—Sales of Bruck Silk Co. during November, 1934, were 50 per cent ahead of the same month last year, according to a statement made by I. I. Bruck, president, at the annual meeting of shareholders. Further improvement was noted in December. Mr. Bruck also stated that the $450,000 obtained earlier in the year in connection with the sale of 25,000 treasury shares at $18 a share, was intact and that the company would take advantage of all discounts obtainable and no resorting to bank loans was necessary.

Two new names were added to the board of directors, W. H. Miner and Hartley Molson. They replace Messrs. Potter and Williams.

50 Years
of Service with Security

PORTAGE MUTUAL INSURANCE CO. MUTUAL SERVICE WITH SECURITY

Founded in 1884—still adheres to its original sound insurance practice—adequate protection at fair rates; supported by ample resources.

The
PORTAGE LA PRAIRIE
Mutual Insurance Company
Portage la Prairie, Man.

TORONTO VANCOUVER EDMONTON MONTREAL
75

RAW FUR TRADERS ASK CURTAILMENT MONTREAL SALES

Ask Only Three Sales Per Season in Place of Six

From Our Own Correspondent

WINNIPEG.—A movement is on foot to curtail the number of fur auction sales held in Montreal, the largest secondary raw fur market in Canada. Although initiated by the Canadian Fur Merchants association of Montreal it has been approved by the raw fur merchants association of Winnipeg and by other members of the trade in western Canada as well as in Toronto.

The movement took formal shape recently when a petition signed by 136 members of the fur trade was presented to the president and directors of the Canadian Fur Auction Sales Co., Ltd., of Montreal. The petition recommends that three general sales be held yearly and one special sale of silver foxes. The auction company has so far refused to accede to the request.

Six Sales at Present

The petition strongly protests the company's practice of holding six auction sales during the year on the grounds that numerous sales are detrimental to the general interest of the entire fur trade.

Intermittent sales, it urged, following almost monthly during the raw fur season very often cause violent fluctuations from sale to sale. Unsettled prices cause lack of confidence in the trade amongst consumers, it maintained.

Furthermore the short interval between sales, it added, does not give an opportunity to the handlers of merchandise to dispose of goods purchased at auction.

Trade Discusses Plan

In the meanwhile considerable interest and discussion has been aroused throughout the trade.

Winnipeg fur dealers, while agreeing in principle with the action of the petitioners point out that their recommendations would not apply in Winnipeg as in Montreal. There is a wide difference in conditions in the two cities, they maintain. The main difference is that Winnipeg is a primary market, the bulk of shipments received here coming from direct sources, viz. traders, trappers and fur ranchers. These people are desirous of having their goods sold monthly. The same argument was used by the Montreal concern in turning down the petition.

FIDELITY
Insurance Company
of Canada
TORONTO

Established 1869

Strength•
Stability•

Assurances in Force (Dec. 31, 1933) $518,521,336.00
Assets $138,912,508.00
Surplus Funds and Contingency Reserves $11,917,520.04

A Purely Mutual Company

Every dollar of surplus earnings belongs to policy-holders and is either actually paid or allotted as cash dividends or held in trust for future distribution.

THE
MUTUAL LIFE
Assurance Company
OF CANADA
HEAD OFFICE — WATERLOO, ONT.

NORTHWESTERN MUTUAL
FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA
HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE
INSURANCE AT COST, ASSETS $4,616,449.70

BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax

ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS
RANGING FROM 20% TO 30% ON RENEWAL

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL
INSURANCE CO.
HEAD OFFICE—WAWANESA MAN.
Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE
LIABILITY DOCTORS AND DENTISTS LIABILITY PLATE GLASS
Insurance in force over $243,000,000
APPLICATIONS INVITED FOR AGENCIES IN ALL PROVINCES
Eastern Offices: 341 CHURCH ST., TORONTO

They are Worthy of
your Confidence

Canada Life Representatives who call on you have been carefully selected by a Company jealous of its high reputation. They have been well equipped with the knowledge of what this Company has to offer and how best to make it serve your interests.

You may talk with them frankly about your financial affairs. They can help to make your plans work out—plans for your family's welfare; or for making sure of money, under a Canada Life contract, for your years of retirement.

The Canada Life has helped many thousands of families find this financial security, and always the service of Canada Life Representatives has helped to bring it about.

Canada Life
Assurance Company Established 1847

3311

CHARTERED ACCOUNTANTS

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

RONALD, GRIGGS & Co. Winnipeg
Chartered Accountants Saskatoon
(FACILITIES IN ALL PRINCIPAL CITIES)

E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
TORONTO OTTAWA
15 WELLINGTON STREET WEST TORONTO
CLARKSON, McDONALD, CURRIE & COMPANY
MONTREAL and QUEBEC
Chartered Accountants

TRAYMORE PLANS DROPPING LOSERS CAFETERIA CHAIN

Bondholders Will Also be Asked to Accept Lower Interest

An extensive plan of reorganization of Traymore Ltd. will be laid before the meeting of the bondholders of the company in Toronto on Dec. 28, 1934. Not only will approval be asked of a new capitalization but also of a drastic pruning of unprofitable units in the company's chain of six restaurants.

Cut Bond Interest

Of first importance to the bondholders will be the suggestion to exchange the present issue of seven per cent bonds due 1935, of which $141,800 are outstanding, to five per cent, 20 year bonds. New working capital, it is stated, has been arranged for in Montreal. No matter in what form this is supplied it will not come ahead of the new bonds, from the security standpoint, The Financial Post has been assured. Just what amount of new capital will be supplied has not been stated but with a deficit in the present working capital of over $60,000 alone, something in the neighborhood of $200,000 is anticipated.

Ever since the erection of the Savarin restaurant in Toronto in 1928 at a cost of approximately $750,000 the company has been hampered by a lack of working capital. Previous to that the surplus of current liabilities had been around $250,000. The Post understands that the present directors are of the opinion that this venture into the real estate field was a mistake and that the company should have stuck to the business of retailing foods.

Drop Unprofitable Units

While definite plans concerning the reorganization of the company's properties are not yet available it is believed that they will include the dropping of one or two unprofitable leased restaurants and concentrating more actively on those left. All the restaurants, except the Savarin, are leased so that the closing of such branches will automatically stop any loss incurred at present. In this way and with the new lower interest bonds, it is stated, that the company will have a chance of breaking even under present conditions.

Early in July the company was placed in bankruptcy and since that time has continued to lose money, it is understood. This has not been so much the result of any loss of patronage but rather because while the cost of raw materials has advanced about 15 per cent in the past year there has been no increase in the price of meals served.

PHOTO ENGRAVERS SALES ARE HIGHER IN CURRENT YEAR

Expecting $800,000 Volume as Against $765,600 — Loans Reduced

Based on the first nine months business, improvement over 1933 is expected by Photo Engravers & Electrotypers Ltd. for the fiscal year which ends Feb. 28, 1935. Sales are expected to run around $800,000 as compared with $765,600 for the previous year. With winter catalogue work making up a very considerable proportion of the company's total volume, much depends on the amount of business in the next few months, The Financial Post is informed.

Better Earnings

Last year the company had net earnings of $155,183 and after depreciation and income tax there was a net profit of $53,589. An increase of $50,000 in sales for the current year should result in a considerable improvement over the 1933 earnings, it is stated, and the assurance of continuing the company's present dividend rate of $1 per year per share on the 30,000 shares of common stock outstanding The former dividend rate of $2 per year was discontinued shortly after it was necessary to get a bank loan of $250,000 in 1932. This loan was reduced to $185,000 last year and it is understood that the report for the current year will see a still further reduction.

Do You Know What Your Competitors Are Doing?

Manufacturers should know what dealers are advertising their products, what dealers are advertising their competitors' products.

We supply news data of this nature on all subjects appearing in the Canadian, English and United States newspapers and periodicals.

Let us keep you daily informed of the latest developments in your own line of business. Write us for rates, our charges are reasonable.

CANADIAN PRESS CLIPPING SERVICE
481 University Ave., Toronto 2

Putting Wpg. Elect. Debt on 4 p. c. Basis

British financial comment on the present attempt at fusion of the Winnipeg Electric Co., Manitoba Power Co. and Northwestern Power Co. and other subsidiaries, is that success will probably be followed by a consolidation of the funded debt on a four per cent basis.

In order to secure consent to this desirable reduction in charges, it is stated that a share in the equity will be offered bondholders.

Tip-Top Tailors Pays Up Arrears Earnings Higher

Full payment of arrears in dividends on the preferred stock of Tip Top Tailors Ltd. will be made Dec. 20, 1934, with the regular 1¾ per cent dividend following it on Jan. 1. 1935. Both dividends are payable to shareholders of record Dec. 17. The arrears payment amounts to a total of $23,346 and covers the quarter ended April 1, 1933.

As forecast in The Financial Post over two months ago, it is now officially announced that earnings for the company in the current fiscal year which ends Dec. 31, 1934 will cover depreciation, preferred dividends with a small margin left for the common.

Assuming that the same depreciation is written off as a year ago this will mean earnings in excess of $250,000 as compared with $220,000 in 1933.

The company announces that during the year wages to union employees were increased 10 per cent and a similar increase also took place a year ago.

ONTARIO HYDRO POWER LOAD UP IN NOVEMBER

Increases of Primary and Secondary Power Except in Thunder Bay

Total primary and secondary load in November at the maximum 20-minute peak was 1,568,914 horsepower, an increase of 5.2 per cent over the peak in November, 1933. Of this total 1,176,086 represented primary horsepower, a gain of 3.8 per cent.

Every system showed a gain but Thunder Bay where the decline was 10.9 per cent in primary load and 18.2 per cent in combined primary and secondary load. The greatest gains were in the Northern Ontario properties both in primary and secondary loads.

Purchased power commitments at the end of November were 608,673 horsepower, an increase only of 36 horsepower in the month.

Primary November Loads
(Max. 20 Min. Horsepower)

Systems	Nov. 1934	Nov. 1933	% Inc.
Niagara	943,565	917,159	+ 2.9
East. Ontario	96,019	90,938	+ 5.6
Georgian Bay	25,402	25,294	+ .4
Thunder Bay	57,507	64,511	—10.9
Nor. Ont. prop.	53,593	35,277	+51.8
Total	1,176,086	1,133,179	+ 3.8

Primary and Secondary Load

Systems	Nov. 1934	Nov. 1933	% Inc.
Niagara	1,204,289	1,182,520	+ 1.8
East. Ontario	124,772	90,938	+37.2
Georgian Bay	25,402	25,294	+ .4
Thunder Bay	102,279	125,000	—18.2
Nor. Ont. prop.	112,172	67,770	+65.6
Total	1,568,914	1,491,522	+ 5.2

Purchased power commitments—November 30, 1934=608,673 h.p.

GREENING WIRE CO. SALES UP 30 P.C.

Net Profit $30,000 Against $24,898 Deficit in 1933

An increase of almost 30 per cent in sales and considerably better net earnings are reported by B. Greening Wire Co., of Hamilton, Ontario, for the fiscal year ended June 30, 1934. After depreciation, bond interest and taxes there was a net profit of almost $30,000 as against a deficit of $24,898 in 1933.

Income and Surplus Account
Years Ended June 30

	1934 $	1933 $
Net earnings	108,959	.....
Less: Depreciation	64,957	.....
Bond interest	10,334	.....
Income tax res.	4,209	.....
Net profit	29,469	*24,898

* Deficit.

A small increase of about $16,000 in current assets over the previous year was more than offset by an increase in current liabilities from $34,618 to $67,840 and as a result working capital was slightly reduced to $438,932.

Working Capital

	1934 $	1933 $
Current assets	506,772	490,749
Current liabilities	67,840	34,618
	438,932	456,131

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING DECEMBER 17

Range 1934 High	Low	Divd. Rate in $	Y'ld in % Dec. 15		Sales	Close Dec. 10 (or last)	Week Ending —Dec. 17— High	Low	Close
				A					
2.50	.75	.	...	Abitibi	4625	1.25	1.25	.95	1.25
10½	3	.	...	Do. pref. 6%	535	5½	5½	4½	4½
7½	2	.	...	Do. cert. dep.	127	4½	4½	3½	3½
4½	3	.	...	Acme Glove	....	4½	..	..	..
31½	25	3.25	...	Do. pref.	....	31½	..	..	..
8½	5½	20c	...	Agnew Surp.	....	7½	..	..	..
95	72	7	7.4	Do. pref.	....	95	..	..	..
7	1½	.	...	Alta. Pac. Gr.	5	3	1½	1½	1½
23	14½		...	Do. pref.	17	17	16½	16	16
2½	1½	.	...	Amal. Electric	15	1½	1½	1½	1½
16	10	.	...	Do. pref.	25	15½	16	15½	15½
15½	15½	.	...	Amer. Cyn. B.	....	15½	..	..	..

Range 1934 High	Low	Divd. Rate in $	Y'ld in % Dec. 15		Sales	Close Dec. 10 (or last)	Week Ending —Dec. 17— High	Low	Close
95	70	6	6.9	Huron & E. Mt.	11	87	87	87	87
15	13	.	...	Do. 20% pd.	161	14	14	14	14
8	4	.	...	Hydro Electric	....	4	..	..	..
				I					
200½	141	10	5	Imperial Bank	37	197	200	197	199
17½	12½	50+15c	3.9	Imperial Oil	9066	18½	16½	16½	16½
12½	10½	52½c	4.2	Imperial Tob.	3585	12½	12½	12	12½
17½	14	.	...	Inter. City Bak	....	17	..	..	..
15½	15	4+2	...	Inter'c Coal	....	15½	..	..	..
100	100	8	8	Do. pref.	....	100	..	..	..
b9½	2½	.	...	Int. Hyd. E. A.	4800	2½	2½	2½	2½
6	3½	.	...	Int. Metal Ind.	105	5	5½	5½	5½
40	40		...	Do. pref.	....	40	..	..	..
111	99	7	6.3	Inter. Mill. pf.	1	110	111	111	111

Active Corporation Bonds

(Furnished by Royal Securities Corp., Toronto)
December 18, 1934

Public Utility Issues:	Int. Rate	Due	Dec. 18 Bid	Asked	Dec. 11 Bid
‡Avalon Telephone	5½%	1948	98	...	98
Beauharnois L., H. & Power	5½%	1973	100½	101½	100½
Beauharnois Power Corp.	6%	1959	72½	...	72½
Beauharnois Power Corp.	5%	1973	58½	59½	59
*Bell Telephone	5%	1955	108½	110	108
*Bell Telephone	5%	1957	110	111½	109½
†B. C. Power	5%	1960	101	102½	101
†B. C. Power	5½%	1960	105	106	105
†B. C. Telephone	5%	1960	104	105½	103½
†Calgary Power	5%	1960	100	101½	99½
†Calgary Power	5%	1964	98	100	...
†Canada Northern Power	5%	1953	97½	99	97
†Cedars Rapids Mfg. & Power	5%	1953	110	111½	110
*Dominion Gas & Electric	6½%	1945	63½	65	64
§Duke-Price Power	6%	1966	98½	100½	98
*Gatineau Power	5%	1956	97	98½	95½
*Gatineau Power	6%A	1941	94	96	94
*Gatineau Power	6%B	1941	94	96	93½
*International Hydro-Electric	6%	1944	48½	50½	48
†International Power Co.	6%	1957	87	...	87½
†International Power Co.	6½%	1957	90	...	89½
†Maclaren-Quebec Power	5½%	1961	101	102½	101½
*Manitoba Power	5½%	1951	53½	55	53½
†Montreal Island Power	5½%	1957	101½	103	101½
†Montreal L., H. & Power	5%	1951	105	106½	104½
†Montreal L., H. & Power	5%	1970	105	106½	105
†Montreal Public Service	5%	1942	105½	...	105½
†Montreal Tramways	5%	1955	71	73	71
†Montreal Tramways	4½%	1955	66½	69	66
†Montreal Tramways	5%	1941	97	98½	96½
National Light & Power	6%	1949	86½	89	86
*N. B. Power	5%	1937	73	...	72
Newfoundland Light & Power	6½%	1949	102	...	102
* Do.,	5½%	1971	99½	...	100
Do.,	7%	1949	101	...	101
*Northwestern Utilities	6%	1949	98	100	...
†N. S. Light & Power	5%	1958	99	101	98½
†Ottawa Light, Heat & Power	5%	1957	103½	105	103½
†Ottawa Valley Power	5½%	1970	106	107	105½
†Provincial Light & Power	5%	1946	105	...	104½
†Power Corp.	4½%	1959	85	87	84
*Quebec Power	5%	1968	101½	103	100½
†Rio de Janeiro T., L. & Power	5%	1935	100	...	100
Shawinigan Water & Power	6%	1937	101½	103	101
†Shawinigan Water & Power	4½%	1970	95½	96½	95
†Shawinigan Water & Power	5%	1970	101½	103	101½
†Southern Canada Power	5%	1955	103½	105	103
†United Securities	5½%	1952	65½	67½	66
†West Kootenay Power	5%	1956	105	106½	105
†Western Power Co.	5%	1949	104½	106	104½
*Winnipeg Electric	5%	1935	96½	98½	96
*Winnipeg Electric	6%	1954	51½	53½	52½
Industrial and Realty Issues:					
Abitibi Power & Paper	5%	1953	30	32	32
Abitibi P. & P. C.O.D.'s	5%	1953	27½	30	28½
†Acadia Sugar	6%	1946	103	104	102½
†Alberta Pacific Grain	6%	1946	90	92	88
*American Sales Book	6%	1939	102½	...	102½
†Asbestos Corp.	5%	1942	99	...	99
†Atlantic Sugar	5%	1941	100	...	97
Balfour Building	6%	1943	45	...	43
†Belding-Corticelli	5%	1936	103½	...	103½
Bloor-St. George Realty	7%	1946	50	...	48½
Booth Buildings	6½%	1937	99	...	99
Brandram-Henderson	6%	1936	94	...	93½
British American Oil	5%	1945	104½	106	104½
†British Columbia Pulp & Paper	6%	1950	75½	...	74½
Burns & Co.	5½%	1948	38½	41	38
Canada Biscuit	6½%	1946	22½	...	18½
Canada Bread	6%	1941	101½	...	101½
†Canada Cement	5½%	1947	100½	102½	99½
†Canada Paper	6%	1945	96	...	96
‡Canada Steamship	5%	1943	93½	95½	93
Canada Steamship	6%	1941	30	32	30
†Canadian Canners	6%	1950	105½	...	105½
Canadian Cons. Felt	6%	1940	100	...	100
†Canadian Copper Refiners	6%	1945	105½	107½	105½
†Canadian Cottons	5%	1940	102	...	102
Canadian Goodrich	7%	1943	48	...	48
*Canadian International Paper	6%	1949	70	72½	70
C. P. R.	6%	1942	107	108½	107
C. P. R.	4½%	1944	95	96½	94
*C. P. R.	5%	1954	100½	102	99½
C. P. R.	4%	1949	94	95½	93
Can. Rail & H. Term.	6½%	1951	21½	...	21
†Canadian Vickers	6%	1947	62½	65	59½
Cons. Investment	4½%	1959	83½	...	83
Consolidated Paper	5½%	1961	18	20	17
Cosmos Imperial	6½%	1944	103	...	103
Debenture & Security	4%	1936	77	...	77
†Dominion Canners	6%	1940	107½	...	107
*Dominion Coal	5%	1940	102	103½	102
Dominion Square Corp.	6%	1948	52½	...	51
†Dominion Tar	6%	1949	94	95½	93
Dominion Textile	6%	1949	105	...	105
Dom. Wool. & W. (with stock)	6%	1948	22½	...	18½
†Donnacona Paper	5½%	1948	44	46	44
†Eastern Dairies	6%	1949	75	77	72½
Eaton T. Realty	5%	1949	100½	102	101
†Famous Players	6%	1948	99	100½	98½
†Famous Players	6½%	1948	92	93½	91½
†Federal Grain	6%	1949	95	97	92½
Fraser Companies	6%	1950	44	...	43½
Galt Brass	7½%	1941	40	...	40
†General Steel Wares	6%	1952	92½	94½	91
Godfrey Realty	6%	1942	43½	...	44
Great Lakes Paper	6%	1950	30	32	31
†Great Britain & Can. Invest.	4½%	1959	65	67	65
†Gypsum, Lime & Alabastine	5½%	1948	86½	88½	84
Hamilton Cottons	5½%	1948	95½	...	85
*Hamilton By-Products Coke	7%	1943	100½	103	100½
*Hinde & Dauch	5½%	1948	95½	...	95
†International P. & P., Nfld.	5%	1968	97	99	97
Inter City Baking	5½%	1948	94	...	92
†London Can. Invest.	4½%	1948	75½	...	75½
London Realty	6%	1950	80	...	80
†Massey-Harris	5%	1947	85	87	83½
†McColl-Frontenac	6%	1949	104	105½	104
Metropolitan Building	7%	1944	100½	...	100½
Minn. & Ont. Paper	6%	1945	15½	17½	15½
*Montreal Coke	5½%	1947	102½	104½	102½
‡Montreal Cottons	5%	1943	98½	...	98
National Grocers	6%	1948	104½	105½	104½
Northern Electric	5%	1939	104½	...	104½
Northern Ont. Bldg.	6½%	1939	99	...	99
Ontario Building	6½%	1943	39	...	39
†Penman's	5½%	1951	109	110½	109
Price Bros., C.O.D.'s	6%	1943	84½	87	85½
*Provincial Paper	5½%	1947	100	101½	100
Queen's Hotel	6%	1947	72	...	72
*Reliance Grain	6%	1948	97½	99½	95½
Richmond Bay Bldg.	6½%	1947	97	...	96
‡Riordon Pulp & Paper	6%	1942	103½	...	103½
Ritchie Cut Stone	6½%	1948	79½	...	75
†Rolland Paper	5½%	1948	101½	...	100
Ruddy & Co., E. L.	6½%	1948	79	...	77½
St. Lawrence Flour	6%	1941	104	...	103½
†Simpson's Ltd.	6%	1949	102	104	100½
†Smith Howard	5½%	1953	100¾	102½	99½
‡Steel Co. of Canada	6%	1940	110	...	109½
Stop & Shop	6%	1947	87½	...	87½
Toronto Carpet	6%	1944	100	...	100
United Amusement	6%	1942	94½	...	93
United Corpns.	5%	1953	83½	...	83
United Grain Growers	5%	1948	94	97	93
United Grain Growers	5½%	1949	97½	100	97
Wabasso Cotton	6%	1947	102½	...	101
‡Wabasso Cotton	7%	1942	103	...	102
Woods Mfg.	6%	1943	92	...	91
Zimmerknit Mfg. Co.	6%	1951	98	...	97

† Can., U.S. or U.K. ‡ Can. or U.K.
* Can. or U.S. § U.S. only.

Unlisted Mining Stocks

December 18, 1934

	Bid	Asked
Afton	.30	.33
Alschbach	.06	.08
Ardeen	.20	.23
Arntfield Gold	.60	.63
Arntfield Synd.	.55	.61
Atnel Mines	.20	.25
Bailor Gold	.02	.03
Bankfield Gold	.59	.61
Bathurst	.02½	.03½
Big Long Lac	.06	.09
Bousquet Gold	.18	.20
Bur-Ley Long Lac	..	.20
Bidgood Cons.	..	.01½
Brennan Kenty	..	.30
Can. Pandora	.09	.10½
Can. Radium	.10	.14
Canusa Mining	.06	.08
Casey Summit	.06	.09
Cent. Porc.	..	.30
Chromium M. & Smelt.	.45	..
Cochenour Will.	..	100.00
Columario	.06	.07
Continental Kirk.	..	.05
Crown Reserve	.02	.03
Cuniptau	..	.25
Dorval Siscoe	..	.20
Dunlop Cons.	.00¾	.01½
El Bonanza	.14	.16
Forty-Four Gold	11.00	12.00
Goldside	.12	.14
Gold Eagle	.21	.25
Gr. Bear Lake M.	.22	.25
Gabrielle	.60	.65
Grierson Stur.	.21	.25
Hardrock Un.	47.00	..
Hardrock	.44	.48
Harkness Hayes	..	.47
Hislop	.15	.20
Herbin Lake Un.	16.00	18.00
Hudson Pat.	..	.14
Horseshoe	.02½	.03½
Jellicoe	.07	.09
Johnson Nip.	.06½	.07½
Karl Springer	1.50	2.50

	Bid	Asked
Kirk Gold Belt	..	.10
Keyroc Gold	..	.06
La Roche	..	.13
Lafayette L. Lac	.04¾	.05½
Langmuir	..	.35
Long Lac Lagoon	.16	.17½
Lamaque Gold	1.25	..
Lake Caswell	.40	.45
MacFarlane L. Lac	.03	.05
MacL. Cockshutt	.04½	.05½
Magnet Lake	.15½	.17½
Marbuan	.57	.61
Matachewan Can.	.11	.13
Metals Devel.	.02	.03
Murwood	.20	.25
Mosher Gold	.03	.04
N. A. M. E.	5.00	7.00
Normetal	.20	.30
Normont	..	.07
North Shores	.09¾	.10¾
Oklend	.36	.40
Payore Mines	.33	.36
Pontiac Rouyn	.25	.35
Queen Lebel	..	.09
Red L. Goldshore	.23	.26
Rice Lake	.04½	.06
Sakoose	.05	.08
Scullers Gold	12.00	15.00
Shawkey	.30	.33
Sigma	..	1.50
Smith Cobalt	.12	.14
Smelter Gold	.16	.17
Springer Sturgeon	..	.12
Sturgeon River	..	4.00
Tashota Goldfield	.37	.45
Thom.-Cadillac	.03½	.04½
Tiblemont Island	.50	..
Toburn	1.22	1.27
Wendigo	..	.55
Wells L. Lac	.13	.15
West Red Lake	..	.14
Wingold	..	.24
Young David	.19	.21
Ymir Y. Gold	.55	.57

Source of quotations on application. Not guaranteed.

Listed Bond Quotations

Week Ending December 17, 1934

	Int. Rate	Due	Latest Yield	Bid	High	Low	Range 1934 High	Low
Mtl. L.H. & P. debs.	3	1939	3.35	48½	48½	48½	48½	43
Unlisted:								
Cons. Paper	5½	1961	...	...	17½	...	26	13

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and in its mining quotations elsewhere in this issue, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)
December 18, 1934

	Bid	Asked
Industrial Stocks:		
Acadia Sugar com.	2.85	3.15
Acadia Sugar pfd.	4.70	5.00
Adirondack St. c.	....	1.00
Allens College pf.	47.00	....
Allens London pfd. bonus com.	....	55.00
Allens St. Cath. pfd. bonus com.	38.50	....
Allens Toronto pfd. bonus com.	20.00	....
Acme F. Dairy pf.	14.50	....
Andian Nat. (Can. Funds)	38.00	39.50
Atlantic Sugar pf.	95.50	97.00
B. C. Pulp pfd.	6.50	10.00
Can. Dom. Sugar	55.75	56.50
Can. Mach. com.	1.70	2.50
Can. Packers com.	46.00	47.50
Can. Packers pfd. ex-div.	108.00	110.50
Can. Starch com.	10.00	....
Can. Starch pfd.	84.00	....
Can. Tea pfd.	45.00	55.00
Can. W. & Cable pfd. WW	58.50	59.75
Can. Indust. A	188.00	....
Can. Indust. B	188.00	191.00
Can Indust. pfd.	145.00	148.00
Can. Paperboard pfd. bonus	4.25	....
Can. Westing.	45.50	47.00
Chase pfd. bonus	23.00	27.00
Dom. F. & Stl. c.	8.50	....
Dom. F. & Stl. p.	71.00	....
Dom. Manuf. pfd.	70.00	....
Dom. Woollens c.	.40	.90
Dunlop Tire pfd.	69.50	72.00
East. Dairies pfd.	10.00	....
Edm. C. Dairy pfd. bonus	45.00	....
Fed. Grain com.	1.50	2.00
Fed. Grain pfd.	35.00	38.50
For. Power Sec. p.	5.00	8.00
Goderich Elevator	6.75	7.25
Greening Wire p.	70.00	....
Guelph Carpet pfd.	92.00	94.00
Guelph Carpet c.	12.75	13.50
Harding Carpets c.	2.50	3.25
Hayes Wheels pf.	....	9.25
Highland Dairy c.	3.65	4.25
Highland Dairy p.	69.00	71.00
Huether Brew. pf.	1.75	....
Huether Brew. c.	.75	....
Ind. Accept. A	4.00	4.60
Int. City Bak. com.	17.00	18.50
Int. Met. Indust. A pfd.	30.00	....
Inter. Paints pfd.	15.25	17.00
Loew's London pf.	3.75	4.15
Mansf. Theat. pf.	27.50	30.00
Massey-Harris pfd.	25.50	26.50
Mercury Mills pf.	8.00	10.00
Morrow Screw pf.	88.00	....
Mt Royal Hotel p.	2.00	3.50
Nat. Grocers com.	4.95	5.15
Nat. Grocers pfd.	119.00	120.00
New Meth. Laund. pfd.	49.00	....
Para. Oshawa pfd.	47.50	52.00
Perf. Pet. pfd.	20.00	....
Prov. Paper pf.	94.00	97.00
Rel. Grain pfd.	63.00	67.00
Rob. Cons. Cone	8.25	9.25
Ruddy, E. L., pfd.	11.50	....
St. Fuel pf. bon.	100.50	....
Super. Pet. B pfd.	24.50	25.50
Toronto Carpet pf.	25.00	....
United Grain	12.00	14.00
United Steel pf.	5.75	7.50
West. Grain p. bon.	8.75	11.00
Insurance Stocks:		
British America	33.00	....
Canada Life	446.00	....
Can. Fire	67.00	....
Can. Ins. Shs. com.	8.00	10.00
Confed. Life 20% pd.	121.00	127.00

	Bid	Asked
Insurance Stocks: (Continued)		
Cont. Life 20% pd.	37.00	40.00
Crown Life	103.00%	....
Dominion Fire	96.00	....
Dominion Life 50% pd.	185.00	....
Dom. Can. Gen. Ins.	94.00	98.00
Emp. Life 25% pd.	8.00	10.00
Excel. Life 30% pd.	70.00	75.00
Fed. Fire 25% pd.	34.00	36.00
Great West Life	410.00	430.00
Guar. of N. A. fully pd.	220.00	....
Guar. of N. A. 20% pd.	41.00	....
Imperial Life	295.00	....
Manufac. Life	241.00	250.00
Monarch Life 10% pd.	18.50	21.00
National Life 25% pd.	....	59.50
Sov. Life 25% pd.	11.00	14.00
Sun Life	325.00	340.00
Tor. General Ins.	4.00	4.25
West. Assur. com.	32.00	35.00
West. Assur. pfd.	38.50	43.00
West. Empire Life	8.00	12.00
West. Life 20% pd.	9.00	11.50
Trust & Loan Stocks:		
Chartered Trust	69.50	....
Comm. Finance new com.	2.00	....
Guelph & Ont. Inv.	41.00	....
London & Western Trust	29.00	32.00
Sterling Trust	....	39.00
Sherbrooke Trust	110.00	....
Traders Finance p.	48.50	51.00
Trusts & Guar.	35.00	38.00
Waterloo Trust	79.00	83.00
Victoria Trust	120.00	125.00
Investment Trust Shares:		
Can. Gen. Invest.	5.95	6.15
Can. Investors	4.25	5.25
Can. Int. Inv. Tr. Units	20.75	22.00
Can. Invest. Fund	3.15	3.50
Cons. Div. Std. Sec. Units	10.50	11.50
Debent. & Sec. p.	23.00	....
Dom. & Anglo Inv. Units	171.00	....
Dom. Scottish Inv. Units	21.50	23.50
Invest. Foundation Units	41.00	42.50
Sec. Holding Units	10.00	12.00
United Corpns. A	14.00	15.00
United Corpns. B	4.25	5.50
Power Issues:		
Calgary Power pf.	93.00	95.00
Can. L. & Power c.	20.00	22.00
Can. West Nat. Gas pfd.	95.00	96.00
Gr Lakes Pwr. p.	43.00	50.00
Maclaren P.&P. c.	16.25	17.50
Marit. Tel & Tel. p.	14.00	14.75
N. B. Tele. com.	9.75	10.75
N. S. L&P com.	40.00	44.00
N. S. L&P pfd.	89.00	93.00

Recent London Quotations:

Brit. Col. Tele., pfd.	$105
Brew. & Distillers	3s.
Canada Company	7s. 6d.
Can. & For. Secs.	3s.
Can. Collier. $1 com.	3d.
Do., pref. $10	3d.
Can. N. W. Land	25s.
Can. West. Lumber	1s. 6d.
Hudson's Bay	25s.
Do., pref.	102s. 6d.
Imp. Tob. (Canada) 6% pfd.	27s. 6d.
Third Can. Gen. Inv.	6s.

Dominion and Provincial Bonds

Quotations furnished by A. E. Ames & Co., Toronto
December 19, 1934

Dominion of Canada Bonds

			Bid —Dec. 19—	Asked —Dec. 19—	Approx. Yield	Bid Dec. 12
Dominion	2	15 Oct. 1936	100.00	100.50	1.72	99.50
Dominion	2½	15 Oct. 1939	100.00	100.50	2.40	99.50
Dominion	3	15 Oct. 1942	102.75	103.50	2.50	101.00
Dominion	3½	15 Oct. 1935	101.15	101.65	1.50	100.85
§Dominion	3½	15 Oct. '44-49	102.50	103.00	3.14	103.00
Dominion	4	15 Oct. 1935	101.50	102.00	1.58	101.30
Dominion	4	15 Oct. 1939	106.50	107.25	2.40	106.25
§Dominion	4	15 Oct. '43-45	107.00	107.50	3.03	106.50
§Dominion	4	15 Oct. '47-52	106.75	107.25	3.30	106.00
Dominion	4½	1 Sept. 1940	109.75	110.25	2.56	110.25
Dominion	4½	15 Oct. 1944	111.15	111.65	3.11	110.50
Dominion	4½	1 Feb. 1946	111.00	111.50	3.26	110.50
§Dominion	4½	1 Nov. '46-56	110.25	110.75	3.39	110.00
§Dominion	4½	1 Nov. '47-57	110.25	110.75	3.45	110.00
§Dominion	4½	1 Nov. '48-58	110.85	111.35	3.46	110.75
§Dominion	4½	1 Nov. '49-59	111.00	111.50	3.50	110.85
Dominion	5	15 Nov 1936	105.65	106.15	1.72	105.65
*†Dominion	5	1 Mar. 1937	107.65	108.15	1.25	107.00
Dominion	5	15 Nov. 1941	112.75	113.25	2.87	112.50
Dominion	5	15 Oct. 1943	113.75	114.25	3.14	113.50
†Dominion	5½	1 Dec. 1937	111.00	111.50	1.51	110.25
Dominion Guaranteed Bonds						
xGr. Tr. Pac.	3	1 Jan. 1962	99.50	100.50	2.97	97.25
xCan. N. Ry.	4½	1 Sept. 1951	113.50	114.25	3.39	112.25
*Can. N. Ry.	4½	15 Sept. 1954	103.00	104.00	4.20	103.50
xCan. N. Ry.	4½	1 Feb. 1956	114.25	115.00	3.50	112.75
*Can. N. Ry.	4½	1 July 1957	112.50	113.25	3.64	111.25
xCan. N. Ry.	4½	1 Dec. 1968	104.50	105.50	4.21	105.50
xCan. N. Ry.	4¾	15 June 1955	116.75	117.50	3.54	115.25
Can. N. Ry.	5	1 Feb. 1954	116.50	117.50	3.73	115.00
§xCan. N. Ry.	5	1 July 1969	116.75	117.50	3.29	115.25
§xCan. N. Ry.	5	1 Oct. 1969	118.50	119.25	3.54	117.25
§xM. Harb. C.	5	1 Nov. 1969	118.50	119.50	3.52	117.25
Provincial Government Bonds						
Eastern—						
*N. Bruns.	4½	15 Apr. 1961	108.00	109.00	3.92	107.00
*N. Bruns.	5	15 Jan. 1960	114.75	115.75	4.01	114.00
N. Bruns.	5½	15 May 1950	116.25	117.25	4.00	115.00
N. Scotia	4½	15 May 1943	107.00	108.00	3.40	106.00
*§N. Scotia	4½	15 Sept. '47-52	109.00	109.75	3.56	108.25
N. Scotia	4½	15 May 1961	111.00	111.75	3.76	109.75
*N. Scotia	5	1 Mar. 1960	116.25	117.25	3.91	116.00
xOntario	4	1 June 1962	105.00	106.00	3.65	104.25
xOntario	4½	1 Sept. 1944	111.50	112.50	3.00	110.25
Ontario	4½	1 June 1950	110.00	111.00	3.57	109.50
xOntario	4½	15 Jan. 1962	112.00	113.50	3.70	111.50
Ontario	5	15 Oct. 1948	114.00	115.00	3.63	113.50
xOntario	5	2 Dec. 1960	118.00	119.00	3.85	117.75
Ontario	5½	1 July 1946	116.00	117.00	3.68	115.25
§O. H. C.	3½-4-5	1 Oct. 1952	100.25	101.25	3.02	100.25
xOnt. H. C.	4	1 Aug. 1957	104.25	105.25	3.65	103.50
Ont. H. C.	4¾	1 Jan. 1970	112.50	114.50	4.00	112.50
Quebec	4	15 Mar. 1952	104.50	105.50	3.57	104.50
Quebec	4¼	1 Aug. 1958	109.50	110.50	3.58	109.00
Quebec	4½	2 Jan. 1963	112.00	113.00	3.72	111.50
Western—						
*Alberta	4	1 Dec. 1957	95.00	96.50	4.25	94.25
*Alberta	4½	1 Oct. 1956	99.50	100.25	4.48	98.00
*Alberta	5	1 Jan. 1948	101.75	102.75	4.73	101.50
Alberta	5	1 Sept. 1955	101.75	102.75	4.79	101.50
xAlberta	5	1 Oct. 1959	105.00	106.00	4.59	104.25
*Alberta	5½	1 Jan. 1947	105.25	106.00	4.88	105.25
Alberta	6	1 Mar. 1947	108.00	109.00	5.02	108.25
*Brit. Col.	4	1 Dec. 1957	93.50	94.50	4.38	92.75
xBrit. Col.	4½	15 Jan. 1951	98.00	99.50	4.54	98.00
*Brit. Col.	4½	1 Oct. 1953	97.00	98.00	4.66	96.25
*Brit. Col.	5	15 Jan. 1948	100.00	101.00	4.89	100.00
Brit. Col.	5	1 Sept. 1953	100.00	101.00	4.92	100.00
Brit. Col.	5½	1 Feb. 1945	103.00	104.00	5.04	102.75
Brit. Col.	6	15 Feb. 1947	106.00	106.75	5.28	105.75
*Manitoba	4	1 Dec. 1957	96.25	97.25	4.19	94.50
*Manitoba	4½	15 Dec. 1956	100.00	101.00	4.43	98.50
*Manitoba	5	15 June 1954	104.00	105.00	4.61	103.75
xManitoba	5	2 Dec. 1959	106.50	107.50	4.50	106.00
Manitoba	5½	1 Oct. 1955	106.50	107.50	4.93	106.25
Manitoba	6	1 Apr. 1947	108.75	109.75	4.96	108.25
Sask.	4	15 Aug. 1953	90.00	91.00	4.72	88.00
xSask.	4½	2 July 1945	97.50	98.50	4.69	97.00
*Sask.	4½	1 Oct. 1951	95.75	96.75	4.79	95.00
Sask	5	1 Aug. 1958	98.50	99.50	5.04	97.50
*Sask.	5½	15 Nov. 1946	102.50	103.50	5.15	102.00
Sask.	6	15 Mar. 1952	105.75	106.50	5.43	105.75
Municipal Bonds						
*Calgary	5½	2 June 1944	84	88	7.27	84
*Edmonton	5½	1 Nov. 1945	91	93	6.40	91
*Halifax	5	1 July 1961	110	112	4.24	110
Hamilton	5	1 May 1950	109½	111½	4.00	109½
Montreal	5	1 Mar. 1945	102½	103½	4.58	102
Ottawa	4½	1 July 1945	103	105	3.92	103
*Quebec	5	1 June 1959	104½	105½	4.62	104½
Regina	5	1 July 1944	83	88	6.72	81
St. John	5	15 Dec. 1950	107	109	4.22	107
*Toronto	4½	1 Jan. 1955	109	112	3.65	108
Vancouver	5	1 June 1969	92	95	5.32	93
Victoria	5	21 July 1945	93	96	5.50	92
Winnipeg	5	1 Mar. 1944	99	102	4.73	99

† Tax exempt issues. * Payable in Canada and New York.
§ Yield at call price.
x Payable in Canada, New York and London.

Winnipeg Stock Exchange

(Transactions from Dec. 9 to Dec. 15)

Div. rate in $	yield in %		Sales	High for period	Low for period	Close Dec. 15
..	..	Beaver Lumber, pref.	15	61.00	61.00	61.00
..	..	Bailor Gold Synd.	5	2.50	2.50	2.50
..	..	Gold Lake	1,700	.38	.32	.35
..	..	Gabrielle	250	.62	.60½	.60½
..	..	Kingfisher	400	.09	.09	.09
..	..	Island Lake	3,800	.06½	.06	.06½
..	..	Oxford Lake	10	2.50	2.50	2.50
..	..	Normandy	2	4.00	4.00	4.00
..	..	Ore Grande	400	.06	.06	.06
..	..	Shawkey	300	.33	.33	.33
..	..	Rice Lake Units	3	5.00	5.00	5.00
1	..	United Grain Gr.	17	12.25	12.00	12.25
..	..	Western Breweries	480	2.00	2.00	2.00
..	..	Wingold	2,100	.27	.22	.27
..	..	Wallace Lake	6,000	.06	.06	.06
..	..	Vansons Manitoba	3,800	.23½	.23	.23

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Fire	..	100
Beaver Lumber, c.	..	3½
Canadian Fire	65	..
City Dairy A	..	10
Cres. Creamery, pf.	22	25
Great West Life	400	..
Home Investment	20	..

	Bid	Ask
Northern Trust	..	12
Pelissiers, com.	25	..
Pelissiers, pref.	..	20
Sov. Life, 25% pd.	..	14
Traders' Bldg.	60	..
Reliance Grain, pfd.	64	..
Can. Amer. Tr. sh.	2.45	2.70

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Clarendon Apts.

Can you give me any recent news on Clarendon Apartments seven per cent bonds, due 1946? Is this investment a total loss?

Royal Trust Co., trustee for the bondholders, has taken over management of Clarendon Apartments, Toronto. The coupon which fell due Dec. 15, 1931, was paid on June 15, 1934.

The property is at present about 90 per cent rented and there was a slight rise in rental rates late this year. We understand that with 90 to 100 per cent occupancy, and at present, or at very slightly better, levels of rent, the property should be able to earn operating expenses and taxes and about half its bond interest. The amount of the first mortgage bond issue was originally $500,000 and has been reduced to $481,500.

The property is a 44-suite apartment, located in a good residential area in Toronto. You can see that your investment is not a total loss, and that with some improvement in rental rates there is a prospect of receiving at least half the annual interest.

Can. General Electric

I would appreciate details regarding Canadian General Electric preferred stock. What is the current position of the company?

Canadian General Electric Co. which is controlled by the General Electric Co. of Schenectady, N.Y., is one of the oldest and largest concerns of the kind in Canada. Dividends of 7 per cent cumulative preferred stock, $50 par value, have been paid regularly. The company has no funded debt and the 7 per cent preferred stock of which $8,557,750 is outstanding is the senior security.

While net profits in the last two years have been much smaller than were previously reported, earnings per share have been more than sufficient to pay dividends. For the fiscal year ended December 31, 1933, these shares earned $3.71 and paid $3.50 and in 1932 they earned $6.81. Like most companies, Canadian General Electric suffered a considerable decline in sales volume during the depression but in the current year, we understand, the demand for its products which cover a very wide range of electrical goods has shown considerable improvement. The preferred stock may be redeemed, at any time, by the company at $57.50 per share, which is several dollars less than current quotations for this stock. With current assets exceeding current liabilities by about 15 to 1 and working capital of approximately $15,560,000 this company is in a very strong liquid position.

Inter. Hydro-Electric

Will you kindly give me any information you can on International Hydro-Electric six per cent bonds, due 1944? I see 45½ has been bid for these. Why should these bonds be selling at such a heavy discount?

International Hydro-Electric's income is derived from two major sources, namely, New England Power Association and Canadian Hydro-Electric Corp. The latter company controls the Canadian properties which have demonstrated their earning power. New England, on the other hand, has been experiencing difficulties in the last eighteen months, due to the business depression, higher taxation and implementation of the N.R.A. policy. Consequently the company found it necessary to defer dividends on its common stock, practically all of which is owned by International Hydro-Electric. Cutting off of revenue from this source naturally has had an effect on International Hydro-Electric System. The latter has had to defer dividends on its preferred stock, though to date there is no indication that the interest on the debentures is in danger. The situation is somewhat uncertain, however, and for that reason the bonds are selling at a heavy discount.

Brantford Cordage

I hold some first preferred stock in Brantford Cordage. This looks like a good long term investment. Has this stock fluctuated much in price in the last few years and what is the present position of the company?

Brantford Cordage Co. is one of the oldest and largest manufacturers of binder twine in Canada. It supplies about one-quarter of the Canadian consumption and enjoys a substantial export trade, though this outlet, it is understood, is not as large as it once was. In presenting the annual report for the fiscal year ended Aug. 31, 1934, W. M. Messecar, president of the company, stated that crop conditions over wide areas of Canada and the U. S. were very unsatisfactory and conditions generally during the year were very difficult for the company. Most foreign markets, he said, were closed either by protective tariffs or difficult exchange conditions. The company, he reported, was fortunate in contracting for raw materials at favorable moments on fluctuating world markets and this fact enabled the company to make a better showing than otherwise would have been possible. During that year, the company had a net profit of slightly over $220,000 as compared with $94,000 the year previous. All the way through the depression, the company has shown a net profit though this was less than $10,000 in 1931. After dividends, on the preferred stock, however, which have been paid regularly, there were small deficits for the company in 1933 and 1932 and a very substantial one of almost $190,000 in 1931.

The price range of the $25 first preferred shares has fluctuated from a low of $14 reached in 1927, 1928, and again in 1931, to a high of $28 in 1925 and again in the current year. At the present time, the range is $26 to $27 with a low for the year of $22. During this time, too, the sinking fund requirements of 50 cents per share have been more than maintained with over 2,000 shares retired last year and about 5,000 the year before. Originally, $2,000,000 of this stock was issued but at the end of the last fiscal year, this had been reduced to $1,444,500.

The company has no funded debt and with current assets exceeding current liabilities by over $2,262,000, it is in a very strong liquid position.

One fact that the investor must bear in mind in considering a company of this kind is that Brantford Cordage specializes in binder twine, a product that in recent years has been displaced to a certain extent by the combine which requires no twine.

Bank of Canada

What is the current price of Bank of Canada shares, and what was the price on Nov. 16? Is the dividend considered safe?

Current price of Bank of Canada shares is about $56 each and the price on Nov. 16 was between 57½ and 57, the high and low prices respectively. The dividend on the shares is limited to 4½ per cent cumulative, payable half yearly. There is reason to believe that the Bank will be able to earn this dividend, its authority to administer note issues alone being considered capable of producing earnings sufficient to pay the dividend.

Most of the central banks of the world are very profitable institutions. It has not yet been revealed as to when the bank's first dividend will be paid, and the bank has not even started operations, but the price placed on the shares in the open market indicates that financial circles expect that the dividend will be paid.

Can. Canners Pref.

I am considering the purchase of Canadian Canners preferred, and would like to know something about the dividend record on this stock. Whether it is a first charge on earnings and also how the company is doing.

Canadian Canners Ltd. is the leading firm of this kind in Canada and has been in business for over thirty years. Coming before the 6 per cent first preferred stock, there is a first mortgage of $990,000 and a general mortgage of $2,273,900. Since the first dividend on the first preferred in January, 1928, dividends on this stock have been paid regularly. With the exception of 1932, which was a very bad year for all canning companies, with very large stocks and falling prices, dividends on the first preferred have been earned by a considerable margin, $8.83 being earned in the fiscal year ended Feb. 28, 1934, and $7.80 in the preceding year.

In the current year, we understand, there has been substantial improvement and conditions are now generally regarded as normal, with no very heavy stocks and firmer prices. Since the high point reached in 1931, the company's inventories have been reduced from approximately $8,437,000 to well under $5,000,000 at the end of the last fiscal year and bank loans during the same period have been reduced from approximately $2,670,000 to less than $600,000.

Stobie-Forlong

Will you kindly let me know the present and prospective value of the six per cent bonds of Stobie-Forlong Assets, due 1935? Where does Stobie-Forlong-Matthews come into this situation?

Bonds of Stobie-Forlong Assets were issued to the ordinary creditors of the former Toronto brokerage firm, Stobie-Forlong & Co. The bonds bore a rate of interest of six per cent, and five per cent interest was paid on them, in the form of a return of capital, before default took place. After default, the company again went into bankruptcy, and is now in process of liquidation. After the second bankruptcy, another five per cent was paid, and 3.015 cents on the dollar is being paid this month, making 13.015 per cent in all that has been paid on these bonds. This is a return of capital, and cannot be considered income.

We understand that there is a possibility that another five per cent of the face value of the bonds may be paid to the holders. This, however, is an outside figure and realizations may not allow of so large a payment. We know of no market for the bonds, and their value, therefore, would appear to be limited to the possible five per cent that may be paid on them in the future.

Stobie-Forlong-Matthews, of Winnipeg, was the western branch of the bankrupt Toronto firm. A payment of 10 per cent has been made to creditors of the Winnipeg branch, and there is likely to be some further distribution. Just how much this distribution will be will depend upon the amount realized from liquidation of the assets. An outside estimate of the maximum amount likely to be paid on this estate is not available at present.

International Utilities

I have 500 shares International Utilities A stock. Should I sell it or keep it?

"A" stock is apparently a long way from dividends even if recovery of earnings begins. Dividends were stopped on $1.75 preferred on Oct. 15, 1933, and have been paid only at half rate on $7 and $3.50 cumulative preferred stocks in 1934. The prospects of International Utilities A stock are therefore difficult to assess.

Its holdings of Dominion Gas in Canada would apparently have good prospects in a time of improving business in Western Canada. Its holdings in the United States, however, cannot be given a blanket endorsement. This is a difficult time for utilities in United States. Profits have been made more difficult as a result of code regulation in the last year and as this company took over a number of weak companies with the intention of trying to build them up and thus earn something for the shareholders, a longer period is needed to see how operations will work out under present conditions.

Marketable securities have dropped since the end of 1930 from $6,663,761 to $901,224 at the end of 1933, sales having been made at considerable losses. At the end of 1933 the company owed its bankers $2,644,368 and with other secured loans and payables it had a working capital deficiency of $1,261,070.

Major part of company's investment holdings consists of securities of Dominion Gas & Electric and General Water Gas & Electric Co. It has control and its future lies mainly with progress of subsidiaries of these two.

MacLaren Quebec

Could I trouble you to let me have an opinion concerning MacLaren-Quebec Power Corp. bonds?

The current financing of MacLaren-Quebec Power Corp., constituting the balance of the first mortgage bonds, is for the purpose of reducing loans advanced by the Bank of Nova Scotia for development work. The company has about completed a major hydro-electric development in the Buckingham area. This power is being sold in two markets, namely, Ontario Hydro-Electric and the James MacLaren Company. The contract with the Ontario Hydro does not call for full deliveries until about 1937, while the balance is being taken by the parent company. The revenue obtained by MacLaren-Quebec from these two sources is sufficient to enable the company to meet all its operating charges and to cover interest requirements on the funded debt. The bonds are well regarded and in fair demand, as indicated by the fact that the current street bid for the new issue is par.

Waterloo Mfg. Co.

I have a few shares Waterloo Manufacturing Co. common stock, bought at a considerably higher price than the stock is now quoted at. Would it be moderately safe to buy more shares at the present price or is there a very good chance of the company reorganizing?

Like most agricultural implement companies, Waterloo Mfg. Co. has been going through a difficult period. Moreover as this company specializes in the production of threshing machines and combines only, the poor harvests of the last few years in Western Canada might affect it to a greater extent than other firms with a greater diversification of products. These lower harvests have resulted not only in fewer sales but poor collections on sales already made.

The company has had a net loss on operations since 1930. For the year ended Oct. 31, 1933, the loss amounted to almost $128,000 which was only slightly lower than that sustained in 1932 and about $40,000 less than in 1931. Little information is available concerning operations in the year just concluded but there are no indications of any very substantial improvement. The company has a $1,000,000 six per cent first mortgage bond pledged as collateral for bank loan and overdraft which amounted to $1,432,000 as at Oct. 31, 1933. The last dividend on the class A stock was paid in 1930, but was not earned that year and the last dividend on class B was earned in 1929. The accumulated deficit of the company since that time totalled slightly over $600,000 at the end of the 1933 fiscal year and with working capital of only a little more than $300,000 as compared with four times this much in 1930, it would seem probable that the liquid position would have to be built up before there would be any possibility of dividends even after general conditions in the agricultural implement industry improve. Of total current assets of $1,909,702 almost $1,400,000 was in notes and accounts receivable at Oct. 31, 1933.

Beauharnois

I hold $3,000 par value of Beauharnois Power bonds, on which I receive no interest until 1938. Can you tell me how this company is getting along and what are the prospects of my receiving interest on the appointed date?

In connection with the Beauharnois Power Corp. bonds, we might point out that under the terms of the contract between this company and the Ontario Hydro and Montreal Light Heat and Power Cons., income will be sufficient to permit the company to meet its interest payments beginning April, 1938. As the time of payment draws closer, it is expected that the market value of the bonds may increase. If you are not in need of income, this increase in market value should compensate you for the loss of revenue until such time as the company pays interest.

Consolidated Oka Sand

Can you let me have your opinion on Consolidated Oka Sand and Gravel first mortgage bonds. Is the company making any progress? Has a bondholders' committee been formed? Is there a market for these bonds and what is the current bid and offered price?

The first mortgage bonds of Consolidated Oka Sand and Gravel are ranked as speculative under present conditions. Until there is an improvement in building conditions in the Montreal area, it is unlikely that the company will be able to show anything in the way of satisfactory earnings.

The history of Consolidated Oka has been fairly favorable until within the last two or three years. Between 1922 and 1928, earnings of the predecessor company averaged over $100,000 annually. In 1929 Consolidated Oka reported net earnings of $202,883; in 1930, $158,260; in 1931. $127,201; in 1932, $22,505; and in 1933. a deficit of $53,679.

In January, 1933, the National Trust Co., trustee, in a letter to bondholders advised against any foreclosure action being taken at the present time. The letter stated that an independent investigation had been undertaken on behalf of the trustee, resulting in the conclusion that the company was basically sound but found itself in its present position only as a result of the depressed business conditions. The report recommended that no action be taken immediately because to realize on the company's plant and equipment would probably result in a return far below the real value. It is also recommended that the business be carried on under the present management.

Since that time, we understand, no further action has been taken. The company continues to carry on under the same management and, as already mentioned, the fact of there being little or no business makes it difficult for the company to show anything like adequate earnings.

We have made various enquiries among the bond traders, but are unable to secure any idea of the market price of Consolidated Oka bonds. There is no bid on the security and none of the dealers will hazard an opinion as to what value they might fetch if thrown on the market

Abitibi Preference

When some years ago I purchased Abitibi Power & Paper 6 per cent preference shares from a broker in Calgary, he informed me that there were no bonds ahead of the preference. In your opinion have I cause for taking action against this broker, or did he tell the truth? What are the quotations? Living in England I do not keep touch.

Abitibi preference stock had a high in 1933 of $10 in July, a low of $1 in January and the last quotation in 1933 on December 29 was $4.50. In 1934 the high point was $10.50 in April, the low $3 a share in October. On December 5 it was $4.50 a share. On December 10 it was $5.25.

You state that you bought these Abitibi shares some years ago from a Calgary broker and that the broker told you that there were no bonds ahead of the preference shares. This 6 per cent stock was originally offered in May, 1928, though $8,881,800 of the stock had been issued in March in exchange for preferred stock of Spanish River Pulp and Paper Mills. There was ahead of this stock since 1914, 7 per cent preferred stock issued and outstanding to the extent of $1,000,000. If these shares had been offered to you as soon as issued, it might have been technically true that they were ahead of $50,000,000 5 per cent first mortgage gold bonds issued by this company to exchange for a great many bond issues which had been issued by subsidiary companies. But the $50,000,000 first mortgage issue was used to redeem in part the 6 per cent general mortgage bonds which were not called until July 2, 1928, the 6 per cent gold coupon notes which were not called until September 15, 1928, the 8 per cent consolidated mortgage sinking fund bonds called in November, 1928 and the 6 per cent sale of gold bonds called in December, 1928. All the other bonds called were subsidiary company bonds. The broker misinformed you when he said there were no bonds ahead of the 6 per cent Abitibi preference stock, whether he spoke before the reorganization or afterward.

As to your case against this broker, that would be a matter for your lawyer to advise you about as you would have to prove this misrepresentation either by written or oral evidence.

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action." — Shorter Oxford English Dictionary.

"For the Hospital"

HOSPITALS and particularly ex-soldier institutions, frequently complain of unscrupulous individuals and organizations who exploit the sympathies of the public by organizing collections, sweepstakes, and other means of raising funds. The results, either never arrive at the destination for which it is stated they were intended or only net a small fraction of the total collection. People are easily sold on a raffle when they think that the proceeds are going to be used for buying luxuries for the unfortunate men in the hospital. They will also purchase tickets for entertainment if it is intimated that the proceeds are raised for similar purposes.

Authorities point out, however, that the soldiers hospitals in Canada are federal government affairs supported entirely by public funds and are in no need of such dubious returns.

Another racket with the same bait, is employed by certain types of celebrities coming to town on a commercial venture. These people invariably proceed to the local cenotaph to deposit a wreath, on which the donor's name is prominently displayed. Later they visit the soldier hospitals where they have previously arranged to be photographed and if possible, interviewed by the press. While most of such visits are genuine and are probably appreciated by the patients, there are some who deposit the wreath and make the visit solely for the purpose of seeking free advertising for themselves and their wares.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
Assets over $14,000,000
3% PAID ON DEPOSITS 4% ON DEBENTURES
Archibald McPherson, *President.* T. H. Main, *Manager.*

1080% Profit!

Dominion Coal Preferred Carries Off Blue Ribbon in 1934 for Market Advance in Value

From Our Own Correspondent

MONTREAL.—Dominion Coal Co. preferred stock takes the blue ribbon for 1934 among Canadian securities registering the greatest advance in market value.

One year ago this stock was bid at 10. Today it sells for 118, an appreciation in the twelve months of 1080 per cent.

The remarkable advance in the market value of Dominion Coal preferred is attributable to two causes, improvement in the company's earnings and the anticipated release within the next few weeks of a plan wiping out arrears of dividends now amounting to around $75 a share.

Previous Record Good

Dominion Coal has outstanding $3,000,000 of 7 per cent cumulative preferred stock, which came into being in May, 1905, through an exchange on a share for share basis with the old preferred. Dividends were paid regularly on this stock to February 1, 1924. Up to that time it had always been regarded as a high-grade investment issue, with earnings amply sufficient to take care of dividend requirements.

During the next several years the earning power of Dominion Coal Co. was very erratic and between 1927 and 1932 the company was only able to report earnings on its preferred stock on two occasions.

Subventions Help

Due to the opening up of the central Canadian market, through the help of subventions extended by the Federal Government, operations of the coal company became more profitable.

Last year the company showed net profits of $220,331 available for distribution on the capital stock. This was equivalent to $7.34 a share. At that time the company's preferred stock was selling at a discount from par of 80 to 90 per cent.

The marked improvement in the company's operations and earning power drew attention to the possibility of a resumption of dividends and the cleaning up of arrears on the preferred stock.

Forecast New Plan

At the annual meeting of the company held on May 22nd, 1934, Newton Moore, president, said: "If conditions continue to improve and the earnings and resources of the company should warrant the resumption of dividends on the preferred stock, it cannot be expected that this accumulation of arrears can be liquidated without undue strain upon the working capital of the company, the establishment and maintenance of which should be a first consideration, not only with respect to its general position, but to the interest of preferred shareholders themselves. Your directors propose to give their attention to the development of some plan, by which. when the time arrives when dividends may be resumed, this matter may be dealt with to the satisfaction of the holders of the preferred stock..."

A committee, representing some of the larger holders of Dominion Coal preferred stock met with the company to discuss the drawing up of a plan whereby the preferred stock arrears could be liquidated and the stock placed on a paying basis.

Meanwhile the expectations of the management of a continued improvement in the volume of business and earnings were being realized. At the end of the half year the output of the company was appreciably ahead of that of the corresponding period of 1933.

Post Anticipated Details

In the early part of July The Financial Post gave the first intimation of what would likely be decided upon in connection with the preferred stock. It was stated at that time that the plan under consideration would probably provide for increasing the present issue of $3,000,000 to one of $6,000,000 and reducing the dividend rate from 7 to 6 per cent. The new stock would have a par value of $25 and eight shares would be given for each old share.

Favorable Developments

Reports of increased production, and the possibility of favorable treatment in the proposed plan dealing with the preferred, had their effect upon the market value of the stock. It advanced steadily until it reached a level of around 85 to 90 where it stayed for some time. During the last two weeks, more favorable news has appeared.

Production from the company's mines up till the end of November totalled 3,450,882 tons compared with a total for the year of 1933 of 2,597,945 tons. With one month still to be reported, indications are that the 1934 production will exceed that of 1933 by at least 1,000,000 tons.

Show Larger Earnings

On the basis of increased production it is estimated that Dominion Coal will be able to show earnings on its preferred stock for 1934 of around $20 a share. This figure may possibly be exceeded; at any rate the amount earned will undoubtedly be substantially larger than in 1933, namely $7.34 a share.

Forecast of Settlement

The market value of Dominion Coal preferred was further helped by the issuance this month from a reliable source of a statement confirming the forecast of the new capital set-up made by The Financial Post last July. This forecast, as far as Dominion Coal preferred stock is concerned, was confirmed in all particulars, with the added fillip that the preferred stock dividend would be cumulative on the new stock from October 1, 1934.

On the basis of the anticipated earnings for 1934 plus the greater marketability of the new stock, the market value of the old preferred has advanced to around 118, so that the increase in value over the past 12 months is probably the largest recorded by a listed stock on any Canadian stock exchange this year.

New Books

"MENTAL TRAINING—A Practical Psychology"—by Sperrin N. Chant, published by the Macmillans in Canada, Price $2.

How many times in a month or a year do we make the involuntary appeal: "I wish my memory were better" or "How I wish I could concentrate."

In spite of a rather forbidding title, Professor Chant has set down in a clear thoughtful way, the scientific answer to many problems of mental habits and training which worry and interest most of us from time to time.

The psychologist, as Professor Chant points out, is an instructor "who provides information concerning the nature of efficient mental habits along with guidance in the most adequate method for developing them." In order to apply this point of view to personal problems, some knowledge of the principles upon which mental training is based is, therefore, essential, and this book, in a very practical way, sets forth these principles. Its scope is indicated by some of the chapter headings as follows: "Learning to Remember;" "Learning to Attend"; "Learning to Reason;" "Learning to Make Decisions"; "Training for Mental Health."

Lest you be disappointed, Professor Chant states bluntly at the beginning of his book that mental training is a "long and arduous process." In other words, while there is no royal road to learning, there is a road, not in the way of formal exercises, in which one may engage mechanically for a few minutes each day to improve one's mental efficiency, but rather through an understanding first of how our minds and mental activity work and secondly by putting this knowledge into practical use in our everyday lives.

As associate professor of psychology in the University of Toronto and a member of the research staff of the Canadian Committee of Mental Hygiene, Professor Chant is well equipped to undertake a study of this kind. He brings to bear on this problem, the up-to-date, authoritative weapons of the present day psychologist whom, he believes, will in future "prove more helpful in solving the major problems of human lives and happiness than any commission of admirals or bankers."

Feldspar Production

Feldspar shipments by Canadian producers in September were recorded at 1,865 tons; in August 1,730 tons were shipped and in September, a year ago, 1,729 tons were shipped.

Province of Alberta
4% DEBENTURES
Due December 15, 1954
PRICE: 96.65 and interest,
to yield 4.25%

These debentures will be direct obligations of the Province of Alberta and are callable in whole or in part at 100 and accrued interest on or after December 15, 1949, on any interest date on 60 days' notice.

For further information, please telephone WAverley 3681

DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

BILTMORE HATS NET PROFIT IS UP FIFTY PER CENT

Considerable Progress is Made in New Lines of Production

Biltmore Hats Ltd. net profit was up fifty per cent for the year ended Nov. 30, 1934. In comparison with $41,988 in 1933, $62,408 was shown, and after preferred dividends and $10,000 in common dividends, which was a new item, a surplus of over $31,000 was reported as against $21,993 in the previous year. During the period there was also an improvement in working capital.

Good Earnings

"Earnings for the year just closed were equal to 3.43 times dividend requirements on the preferred shares now outstanding," states F. R. Ramsey, president, in his report to shareholders. "Much care has been taken to make adequate provision for all bad and doubtful accounts and to place a conservative valuation on inventory. Your directors are happy to report that very considerable progress has been made during the year in merchandising your company's products and developing new lines to meet public demand. More 'Biltmore' hats were sold this year than in any other year in the company's history."

Income and Surplus Account
Years Ended Nov. 30

	1934	1933
	$	$
Net earnings	89,869	*48,180
Less: Inc. tax res.	10,347	6,192
Depreciation	16,864	......
Directors' fees	250	......
Net profit	62,408	41,988
Less: Pref. divds.	16,873	17,517
Com. divds.	10,000	......
Pref. sink. fund	4,444	2,478
Surp. for period	31,091	21,993
Add: Prev. surp.	77,633	55,332
Bad debts recov.	......	952
Less: Inc. tax adj.	1,095	644
Balance forward	107,629	77,633

*After depreciation.

Working Capital

	1934	1933
	$	$
Current assets	329,062	318,763
Current liabilities	23,821	24,715
Working capital	305,241	294,048
Ratio	13.81—1	12.90—1

There was not a great deal of change in the 1934 balance sheet from that of 1933. Cash was up from $2,830 a year ago to $66,974 but this change was offset to some extent by the disappearance of government bonds, which in 1933 amounted to approximately $25,000. Accounts receivable at $138,500 were down about $7,000 and inventory at $120,409 was down $22,000 from 1933.

Subsidiaries

In compliance with the new Dominion Companies Act the auditors made the following statement in connection with the company's subsidiaries:

"This company has for the time being two companies coming within the meaning of the Act as subsidiaries. The operating results of these subsidiaries are not taken into the accounts of this company, but full provision has been made for any losses suffered by such subsidiaries by writing off a sufficient amount to cover the same from the value of the company's investment in these subsidiaries."

Annual Meeting

At the annual meeting of the company in Guelph on December 18 a dividend of $1 per share on the common stock payable January 15, 1935, to shareholders of record of Dec. 31, 1934, was declared. At the same time W. Hilborn of Guelph was elected to the board, succeeding the late Paul Munro.

79 Years

The name "CANADA PERMANENT" has been respected in the world of business and finance for more than three-quarters of a century. During that period the
CANADA PERMANENT MORTGAGE CORPORATION
and
THE CANADA PERMANENT TRUST COMPANY
have developed as institutions of nation-wide service, touching the life of Canadian communities from coast to coast.
The financial strength of the "Canada Permanent" is an asset to the Dominion. The conservative policies of its management are a comfort to thousands of Canadian families.
Services embrace deposits, investment debentures, living trusts, collections, real estate management, etc., etc.
Head Office: 320 Bay St., Toronto
Combined Assets Exceed $100,000,000.00

The Season's Greetings

This Christmas give a present that will be an appreciated reminder of you every week of the coming year, . . . a year's subscription to

THE FINANCIAL POST

You know how you enjoy reading The Financial Post each week. You have friends to whom you send suitable gifts at Christmas time. Select one, two or three of these and have The Post sent to them regularly for a year, with your compliments.

Subscription Price, $5.00 a Year

The Financial Post,
481 University Ave.,
Toronto 2, Canada.

Date ....

I enclose $ .... Please enter a yearly subscription (52 issues) to The Financial Post for the following friends—and send a separate Christmas Card conveying my personal Greetings and Good Wishes, to arrive shortly before Christmas Day.

Name ....
Address ....
Name ....
Address ....
Name ....
Address ....
The Gift Card to Carry Personal Greetings of
Name ....
Address ....

333

News of Canadian Mining Investments

The Week in Mining

The Voice of Mining

JUDGING from the calibre of the men behind it, The Canadian Metal Mining Association, whose recent incorporation is reported elsewhere on these pages, can be a powerful influence in aiding the solution of the many problems which confront the mining industry at the present time.

Canada already has various associations of mining men, but they are either grouped technically, or by provinces. The new association will be the first association to truly represent the mining industry of Canada as a whole. On its board are men from every branch of the industry, and from every portion of Canada. If it operates as its sponsors intend that it should, it will be, in every sense of the word, the voice of the Canadian mining industry.

There are many problems facing the industry at the present time. For some months, mining men have been debating the formation of just such an association. In other countries, similar associations have been operating for some time, always for the good of the industry in that country. A united assault on such problems as taxation, low prices of certain metals, government co-operation, and distribution of data and knowledge among the public, and among mining men, is awaiting the new association.

The sponsors are to be congratulated, both as to the objectives of the association, and the comprehensive representation which the newly-elected board comprises.

* * *

Up to Mining Industry

ONE of the first jobs to which the new association might well turn its hand, is to see that the mining industry gets representation on the directorate of the Central Bank of Canada.

Three men, all prominent in the mining industry, have been nominated for a directorship. Jack Hammell, aggressive president of Pickle Crow Gold Mines, Greene-Stabell Mines, Harker Gold Mines, and Northern Aerial Canada Golds Ltd.; J. P. Watson, president of the large Mining Corporation of Canada, and Sir Thomas Tait, president of Minto Coal Co., Parkhill Gold Mines, and director of several other companies, are the three men whose names have been placed before shareholders.

Of the three groups into which the shareholders have been divided, i.e. (A) Primary Producers, (B) Manufacturers and Commercial Men, and (C) Miscellaneous, two are to be elected from each of the first two groups and three from the third, a total of seven.

Since the primary groups include, of course, agriculture, lumbering, fishing and mining, it is within the bounds of possibility that the mining industry will not get a voice in this potentially important factor of Canadian economics. Whether it does or not, is largely up to the aggressiveness of the Canadian Mining Industry.

* * *

Unlisted Quotations

A RATHER futile element of mystery has been injected into unlisted stock quotations by a story appearing in a Toronto daily to the effect that a committee of brokers had been appointed as a sort of vigilance committee to fight "framed up" quotations in the press.

The racket is, according to this story, quite prevalent, and consisted of putting up a "framed-up sale" through an unlisted broker for a few shares of stock; having the quotation published in the newspapers, and then attempting to sell stock on the basis of the published quotation. The impression that the committee, named to co-operate with the press in issuing quotations only when there was a bona fide market, would act as a counterpart of The Secret Six, was added by a headline "Names not Announced."

That the investing public is in a highly nervous state, as exposure after exposure has followed investigation after investigation, is evidenced in the erratic behavior of the market for the past three or four weeks. Nobody would deny that many crooked promoters, attracted by the boom which occupied the greater part of the summer, have clustered around the mining market like flies around honey. Many of these men have now left the country, or been forced out of business largely because of the aggressive onslaught of government officials and reputable mining men. However, this undesirable element have left behind them a feeling of suspicion, and almost of apprehension among certain investors. That the Canadian mining industry is greater than this period of tension goes without saying. But confidence in the mining market must not be unnecessarily disturbed.

This question of unlisted quotations, while perhaps a small thing in itself, is a case in point. With the exception of a few notorious "financial" newspapers, all the better known papers, in giving unlisted quotations, make a point of getting them from a reliable source.

The Financial Post, in publishing unlisted stock quotations, co-operates with a group of well-known brokers, and receives from each of them daily reports on the unlisted section.

These are carefully checked against each other. If one quotation is at variance with the others, a reason is sought, and the matter cleared up. This system has been used for a considerable time. Other newspapers take the quotations from one reliable source, and publish the name of the broker supplying them.

While the recent series of investigations have proved well worth while, and have left the mining industry that much the better, there would appear to be little need for this latest suggestion.

* * *

Speculative Indecision

SPECULATIVE indecision appeared to be the motivating force behind the action of the mining market last week. Toward the close of the week ending Dec. 15, a buoyant note was noticeable in the gold stocks due chiefly to the glowing reports coming from the property of Little Long Lac Gold Mines, which this week poured its first gold brick. Good reports from the lower levels of God's Lake Gold Mines added support to this movement with the result that all gold stocks, junior and senior, showed substantial gains. Little Long Lac held this gain, and at one time hit a peak of $7.15.

Slight losses for most of the gold stocks followed this brief period of activity. Lake Shore, in the senior gold, led the downward reaction, and tumbled as much as 95 cents per share. This general decline was due largely to profit taking, particularly on the interlisted stocks, which earlier in the period had experienced substantial gains.

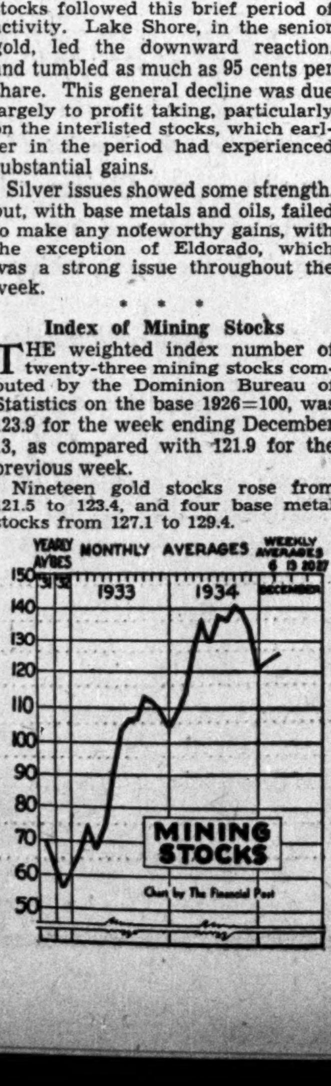
Silver issues showed some strength, but, with base metals and oils, failed to make any noteworthy gains, with the exception of Eldorado, which was a strong issue throughout the week.

* * *

Index of Mining Stocks

THE weighted index number of twenty-three mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 123.9 for the week ending December 13, as compared with 121.9 for the previous week.

Nineteen gold stocks rose from 121.5 to 123.4, and four base metal stocks from 127.1 to 129.4.



EXPERTS PASS ON OIL ROYALTIES OFFERED PUBLIC

U. S. Securities and Exchange Com. Provides Needed Facilities

HELPFUL IN CANADA

Will Be of Great Aid to Efforts Now Being Made By Ontario Securities Commission

Splendid opportunities for improving the protection afforded Canadian speculators in oil royalty interests and securities by provincial securities commissions lie in the fact that the Securities and Exchange Commission of the United States is creating machinery for the supervision of the buying and sale of oil royalty interests.

In the first place, the Securities and Exchange Commission at Washington decided that the business was so complex that it was necessary to have high expert opinion available to consider the various oil royalty interests presented for registration. In Ontario and other provinces registration of royalty interests has not yet been decided on but it might be possible to do so and secure exchange of information at comparatively low cost with Washington.

Dr. Irving Perrine, consultant for the commission, has been chosen because he is a consulting geologist and an authority on oil royalties. He has served on the geological forces of the state of Louisiana and the United States Geological Survey. He has taught geology at Cornell University, and at the University of Oklahoma. He is a past vice-president of the American Association of Petroleum Geologists and a past president of the Oklahoma City Geological Society. In addition, he is a member of the Kansas Academy of Sciences and the Oklahoma Academy of Sciences. He has been consulting geologist in recent years for various large oil and mining companies, and has made an extended study of the oil royalty business.

What is "Income?"

A communication from the Securities and Exchange Commission to The Financial Post reports that it has been found that a major problem has arisen with relation to the use of the word "income" to describe the funds to be distributed from operations to the holders of securities based on oil royalties. It has been found that in many instances adequate consideration of depletion has not been presented in the prospectuses of the registrants and that is in reality a "capital disbursement" or a "return of capital," has been designated as "income." This is the major problem now being tackled by the Ontario Securities Commission as well.

"In addition, it has occasionally been noted that the information supplied in registration statements by oil royalty operators might lead the potential investor to the conclusion that the interests were tax-exempt," states the Washington communication.

"The appointment of Dr. Perrine to study this situation follows closely upon the decision of the Commission to create a special zone comprising the oil-producing states of Texas, Oklahoma, Arkansas and Kansas, with a regional office in Fort Worth, despite the fact that there are at the present time no formal securities exchanges in any of those states. The Commission feels that only by having men on location who are in a position to know the properties on which royalties are being issued can the problem be adequately handled in the interest of investors."

The last sentence gives succinctly the reasons of The Financial Post for believing that it might pay securities commissioners in Canada to get a working arrangement with the U.S. Commission to get the advantage of expert information available on various royalties. In turn Canadian commissioners can exchange information about Canadian mining and other stocks. International co-operation of this kind helps the taxpayers of both countries and certainly makes far more valuable the protection to investors.

Dominion Can't Support Curb on Copper Output

Indications Are Canada Will be Represented at World Meeting of Producers — Date Still Tentative

No definite date has yet been set for the projected conference of copper producers which is slated to be held in New York late in January to discuss proposals for the curtailment of output with a view to stabilizing prices, The Financial Post is informed. Preliminary discussions have taken place both in New York and London and as soon as a suitable date can be arranged formal announcement of the conference will be made. Canadian producers will have representatives at the conference.

While Canadian producers of copper would welcome the stabilization of prices, The Financial Post learns on good authority that they will not be a party to any agreement calling for curtailment of output on their part. Restriction of production is not possible in Canada since copper in this country is more or less a by-product of other metals.

Canada's Output Higher

During the current year Canada's output of copper has increased 23 per cent. This increase has not been due to any improvement in the world copper market but rather to greater demand for the metals with which it is mined in association. This explains the actions of the larger Canadian producers in increasing output at a time of falling prices. International Nickel Co., which accounts for a large part of the Dominion's output and was in 1933 the second largest copper producer in the world, obtains the metal as a by-product to nickel which at present is being mined at the highest rate in the history of the industry. Noranda's most important product is gold, its copper cost being a minus quantity. Hudson Bay Mining and Smelting also recovers zinc, silver and gold.

Canada, however, is not the only country that has been increasing its production. Under the stimulus of greater demand early in the year, especially from Germany, South American and African producers both increased output, the percentage increase being greater than in Canada. It now appears that the producers were misled into believing that a genuine increase in demand had taken place, consumption having fallen off somewhat of late. As result there has been considerable agitation for curtailment of output. Should the present rate of production continue a further decline in price will result and this is what the producers wish to prevent.

Low-Cost Producers

The South American and African copper mines are very low-cost producers. Rhodesian producers can deliver copper in Europe and show a profit with prices as low as 5½ or six cents per pound. The world price of the metal at the present time is slightly less than seven cents per pound and it is to their advantage to maintain prices at that level.

Canadian producers market their product in Europe, a large part of it going to the United Kingdom. This market was developed when they were shut out of the United States market by a four cent tariff. During the past two years they have benefitted from the British Empire trade agreements negotiated at Ottawa. Any world agreement looking toward curtailment will have to take into account the relationship existing between Canadian producers and the consumers in Great Britain.

In any event the South American and African producers will have to bear the brunt of curtailment programme unless the United States mines can be persuaded to confine themselves to the home market. This latter action is improbable, but they may be willing to discontinue dumping their surplus in Europe by limiting exports.

Price Possibilities

Looking ahead into 1935 the possibility of any considerable rise in the price of copper, even if a curtailment agreement is arrived at, is not regarded as very probable. In order for such a situation to develop there would have to be a rise in the copper demand substantial enough to reduce inventories greatly. The chances of such a demand developing are remote to say the least.

Although stocks of copper have been reduced during the current year, the price structure has weakened considerably. The 1933 average for spot copper in the London market was £32 11s. a ton. The average for December, 1933, was £31 7s. a ton. Since that time there has been an almost steady decline, with the price at the present time approximately £27 17s a ton.

Canadian producers of copper rank among the lowest-cost operators in the world and can make profits with the price at its present level. The large South American and South African producers, although not fortified with a bounty of more valuable minerals, can likewise operate at a profit. United States producers, however, are not so fortunate. Most of them would be unable to operate if they were receiving the London price for their product.

Operating behind a four cent tariff and with the price fixed at nine cents a pound by the N. R. A., they have barely covered expenses. The latest estimate by the N. R. A. authorities places the average cost of copper in the United States at approximately 8.9 cents a pound. This is a striking contrast with costs of Canadian and African producers and would definitely indicate that United States has lost the control which she had over price and output previous to 1929. Chilean, Canadian and African producers are large factors in the equation of production and price.

YMIR CON. MAKES RAPID PROGRESS IN PRE-MILL PLANS

Road, Rails, Power and Water Supply Almost Ready

From Our Own Correspondent

VICTORIA. — Excellent progress on construction work preparatory to putting in the new mill at Ymir Consolidated Gold Mines is reported by A. M. Manson, secretary of the company.

In a statement issued this week, Mr. Manson said that a road connection had been made from the existing road to the grade from the portal of No. 10 level of Ymir mine. This was built on the grade which the light railway will follow from the portal to the ore bunkers at the mill. The grade is over 16 ft. in width and will serve both railway and motor traffic.

Over half the grade for the light railway from the portal of No. 10 to the mill has also been completed and construction of a change house, warehouse, compressor house and electric switch house at the same portal have been finished.

Building Dam

Construction of the dam for water for the mill is under way, the rails for the light railway have been delivered at the mine and the power line to the mill was completed and the power turned on November 24. A line from the mill to the mine was completed early in December. This line carries 2,200 volts from the transformers in the town of Ymir.

The new 250 ton ore bin at the portal of No. 3 Goodenough was completed at the end of November.

Underground work at the Goodenough is going ahead at a rapid pace. The raise from No. 3 level to No. 2 a distance of 208 ft., was at 167 ft. at the end of the month and is expected to be completed in December. A sub-level between 3 and 2 will then be driven. O. D. Frith, mine manager states that the raise is in commercial ore all the way but does not show the full width of the vein as the vein is following the footwall side.

Vanson Manitoba Gold Completely Electrified

At a cost of about $40,000 the property of Vanson Manitoba Gold Mines, two miles north of San Antonio has been completely electrified, reports from the West state. Work on the development of the property is now continuing with added speed and heduced cost. Work on deepening the shaft to an objective of 500 ft. is now well under way. A station has been cut at the 225-ft. level and some crosscutting and drifting done at this level. Other stations will be cut at 350 ft. and 475 ft. A crew of 35 men is engaged in this work. The mill, which is of a 15 ton stamp variety, is being used for test purposes only.

Reno Gold Output At $2,300 Per Day

From Our Own Correspondent

VANCOUVER. — For 24½ days of mill operation, the production at Reno Gold Mines was $55,094, according to W. A. Sutton, secretary of the company. The lost days were at the beginning of the month, commercial power from West Kootenay Power & Light Co. not being available until the 6th.

Production was thus about $2,300 a day which, on a 30-day schedule, would represent about $69,000, or slightly better than the company's record month last summer.

Drifting on the seventh level was started on December 4.

GABRIELLE MINES CUTS SIX-FOOT VEIN

Progress Report Gives Details of Recent Work at Property

In a postscript to a progress report for the period Nov. 18 to Dec. 1 issued over the signature of George H. Salton, mine manager, Gabrielle Mines reports that a new vein has been cut in 302 crosscut about 20 ft. south of No. 8 vein. This may be No. 6 vein of the upper level, the report states. It is about six ft. wide with strike and dip the same as No. 6.

Lateral work on the 200 and 320-ft. levels was continued during the period reviewed by the report. On the 200-ft. level, 69 ft. of crosscutting and 62 ft. of drifting was carried out, and on the 320-ft. level 32 ft. of crosscutting and 43 ft. of drifting. The total footage for November was 402 ft.

At the present time the 201 crosscut on the first level and the 302 crosscut on the second level are being driven south. Work is continuing on No. 8 vein on the 320-ft. level. "It is considered advisable," the report states, "to section the greenstone as a preliminary to drifting on veins. Owing to the complete lack of knowledge of outcrops of important vein structures due to heavy overburden, a knowledge of vein structures must be gained entirely from underground work."

New Map is Issued on Promising Area

The Topographical and Air Survey Bureau, Department of the Interior, has just published a new map, at the usual prices, on the scale of eight miles to one inch, covering a portion of northwestern Ontario and extending into Manitoba. It includes the area between latitude 50 and 52 degrees and longitude 92 and 96 degrees an area of 24,120 sq. miles.

Little Long Lac Makes Debut as Producer

Little Long Lac Gold Mines, pioneer mining operation of the Little Long Lac area, has officially entered the ranks of Canada's gold producers. On Monday the company poured its first two bullion bricks, one of 522 crude ounces and the other of 569 crude ounces. This represents a total production since the commencement of milling operations on Nov. 26 of 1,091 ounces. On the basis of the current price of gold the bricks are estimated to have a value of $38,000.

Milling was commenced at the rate of approximately 100 tons daily and this has been gradually stepped up to 175 tons per day. Plans call for increasing tonnage to 200 tons, the mill's capacity, in the near future. Millheads are stated to be running from 0.7 ounces to 0.9 ounces of gold to the ton.

LARGE MILL BUILT TO AID STOCK SALE GODFREY CLAIMS

Commissioner's Powers Questioned By Hon. Chas. McCrea

J. M. Godfrey, K.C., Ontario Securities Commissioner, following the testimony of Douglas A. Mutch, Haileybury mining engineer, at the investigation being conducted into the activities of Thompson-Cadillac when hearings were resumed on Monday, expressed the opinion that the company's mill had been erected as an aid to stock selling.

Mr. Mutch, who recently examined the Thompson-Cadillac property and whose report The Financial Post reviewed last week, declared that the only way in which creditors could hope to get their money out of the enterprise would be to spend more money in developing the property. In reply to a question by Mr. Godfrey as to whether a further expenditure of from $10,000 to $15,000 would save the property he stated that it would take more than that, but not a large sum. The company's only appreciable asset, he said, is the ore under the surface.

During the course of the hearing a disagreement arose between Securities Commissioner Godfrey and Hon. Charles McCrea, former Minister of Mines, who is acting for the directors of the company, as to Mr. Godfrey's powers. "I don't think it is fair to the directors to comment on their civil liability. Your findings can only be as to whether a fraud was committed," Mr. McCrea said.

"And who committed the fraud," added Mr. Godfrey. "I don't think so," replied Mr. McCrea.

Monday's session saw the conclusion of the investigation's public hearings. Another engineer's report on the property is expected this week and following the receipt of this, counsel's arguments will be heard by Mr. Godfrey.

Mill at Paymaster Con. Averages 168.3 Tons Daily

E. H. Walker, vice-president of Paymaster Consolidated Mines, which is a consolidation of two former producing gold properties in the Porcupine area states that during November the mill treated 5.050 tons of rre giving an average of 168.3 tons per day. For the purpose of tuning up the mill at the start of operations, a considerable amount of low grade ore was first put through and since that time the ore has been coming from the dump at the No. 6 Heinze shaft, together with ore from undergound at this same shaft and a small percentage underground from the No. 5 "Dome Lake" shaft, Mr Walker states. The distribution was 61 per cent from the dump and 39 per cent from underground.

As a result of the November milling operations the company during the month has forged five bricks which gave a total production in gold to date of approximately $52,703.

Drill hole No. 9 was drilled to cut the ore below the 1,050 ft. level and indicates the ore body to be 24 ft. wide averaging .40 ounce per ton, A. E. Pugsley, mining engineer at the property has reported. Mr. Pugsley states "Holes No. 11 and 11A were drilled on the vein above the 1.050 ft. level for geological information. From this information we can expect an appreciable height of ore above the 1.050 horizon. Although the holes drilled on the vein convey no information as to the width of ore, they do indicate the grade of ore is approximately the same as on the level where our sampling showed .23 ounce per ton."

At the present time there are about 130 men employed on the property.

Reliance Gold Gets Funds from New York Syndicate

From Our Own Correspondent

VICTORIA. — John R. Sigmore, president of Reliance Gold Mines in the Bridge River district, has announced that a deal was closed in Seattle this week with a New York Syndicate which assures the company of adequate finances. The Eastern syndicate has purchased a block of 700,000 shares of Reliance for which they have agreed to pay $215,000.

The syndicate is headed by Victor deVilliers of New York and A. L. Rose. Payments are to be made in American funds through the National Bank of Commerce, Seattle, over a period of six months with the first payment to be made in January, 1935.

Mr. Sigmore stated that a crew will start working on the Reliance property early in January in order to build permanent camps and to prepare for an active development campaign as soon as the weather permits.

FINISHING TOUCHES AT McK. RED LAKE NEARLY COMPLETE

Work Underground Suspended Pending Completion Construction

Work on the headframe at the property of McKenzie Red Lake, which is at present putting the finishing touches on a new mill, of initial capacity of 125 tons, is going ahead according to schedule, officials of the company state, and present indications are that the property will be ready for production in February, with preliminary construction completed by the end of the year.

During the construction period, work underground has been practically suspended, W. G. Armstrong, president of the company, informed The Financial Post.

Ore reserves of 97,900 tons, having an average value of .437 ounces per ton, or $15.00 at the present price of gold, are estimated by officials. These estimates do not include the ore in the dump or any ore from drifting on the 450 ft. level.

The mine development work has been continued on the 150 ft. and 250 ft. levels, and has added to the ore length on these levels. Accordingly, at the present time, the company estimates on the 150 ft. level, one block of 400 ft. with an average width of 5.4 ft. and another length of 150 ft. with a width of 5.2 ft. On the 250 ft. level there is continuous ore over a length of 580 ft. and 5 ft. width, containing ore of mine average and also a short section 100 ft. long and 5.2 ft. wide of somewhat lower grade. Drifting in ore on the 250 ft. level is proceeding at present, Mr. Armstrong reports.

Complete Work at Depth

A programme of depth development has been accomplished by the sinking of an incline winze on the vein from the 250 ft. level, and the opening up of a third level at a vertical depth of 350 ft. Lateral work on the 350 ft. level resulted in the discovery of a new vein, branching from the main shear and striking westerly. Drifting on this vein for about 165 ft. shows grade of mine average and width.

At the time of the last report the winze had reached a depth of 450 ft. vertically, with new level in the process of being opened up.

The company is negotiating with the Hydro-Electric Power Commission of Ontario for a supply of power, and work has already commenced on the construction of a power transmission line of about 5½ miles in length. It is expected that the power should be turned on to the plant some time this month. It is expected that the initial capacity of the mill, work on which is well advanced, will be 125 tons daily. It is stated that ample funds have been realized from the sale of treasury shares to pay for all costs of construction and the operation of the property to the producing stage. There still remain 100,000 shares in the treasury.

Movements of Mining Men

Cornelius J. O'Brien — of Brighton, Massachusetts has been elected as a director of Paymaster Consolidated Mine to take the place of the late R. J. Grant.

J. Norman Wynne,—a mining engineer of the London firm of McCarthy and Binns, who has been examining the Cariboo Gold Quartz Mine and Newmont properties in B.C. has left Canada for New York and London, where he hopes to arrive in time for Christmas.

Eldon L. Brown,—mine manager, God's Lake Gold Mines, is in Winnipeg conferring with officials of the company and making final arrangements for the freighting of several thousand tons of machinery, equipment and supplies from the Ilford dept established at Mile 286 on the Hudson Bay line.

J. Cunningham Dunlop, — superintendent, Island Lake Mines, flew out this week end to Toronto. Contrary to rumors no great amount of freight has been ordered for Island Lake and H. R. Drummond-Hay, president of the company is authority for the statement that further development plans are not yet complete.

George MacKnight,—superintending development work on the Goldcliffe property at the end of Oxford Lake together with C. W. Avery, his assistant, are expected to be in Winnipeg this week when plans for the further development of the property will be discussed with Dr. Banfield, the company's geologist.

Silver

Smugglers are defeating the Chinese effort to prevent exports of silver. Their activities, which are on a scale so large that interest rates have been affected, are expected to last as long as the export tax on silver remains in force. The government has recognized the situation by taking steps against the smugglers.

The bull position which has continued in the Indian bazaars, has found support in recent criticism of governmental sales in the face of rising markets. It has been pointed out that these losses in the Indian reserves will have to be offset by purchases at higher prices if and when Indian trade recovers.

The policy of American silver purchases has not shown any appreciable change in the past week.

Silver prices fell by about 1½ per cent during the past week.

Trading in Montreal
(Dec. 11-17)

	High	Low	Close	Contracts
Dec.	54.39	54.39	54.39	7
Jan.	54.60	54.40	54.60	12
Mar.	55.25	55.10	55.10	31
May	55.90	55.00	54.90n	70
June	56.20	56.20	56.20	10
July	56.40	56.00	55.50n	45
Aug.	56.75	56.65	56.65b	15
Sept.	57.10	56.70	56.70	5
Nov.	57.75	57.45	57.45	8

London: Spot, high, 24⅛; low, 24⅛d.
New York: Spot, high, 54¼; low, 54¼.

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
Adel. 6028

CHANNEL ASSAYS AT BOUSQUET GOLD GIVE GOOD VALUES

Second Level Results Double Values Obtained on First Level

From Our Own Correspondent

SUDBURY.—Lateral work on the 300-ft. or second level of the Bousquet Gold Mines, in the West River area, is more than meeting the expectations of the management, and is showing values more than double those obtained on the first horizon, according to Lionel Brooke, president and managing director of the company.

Channel sampling done every five ft. in the face of the drifts gives values averaging $40.01 at $35 gold, over an average width of 30 inches, whereas the average grade of ore developed on the level above was .51 oz. or $18 per ton.

The vein, known as the Rivers, has been developed for 111 ft., and the sampling reported covers the first 76.5 ft. at the 300-ft. level. Mr. Brooke gives the following results of the assaying, performed by J. W. N. Bell, of Haileybury, with all free gold eliminated:

Distance on vein:	Width	Value at $35
0 ft.	56 in.	$ 9.45
4.5 ft.	24 in.	123.90
9.8 ft.	30 in.	9.80
14.0 ft.	33 in.	67.90
18.5 ft.	29 in.	33.20
22.5 ft.	27 in.	10.15
26.5 ft.	22 in.	4.90
30.5 ft.	14 in.	56.35
39.0 ft.	12 in.	5.25
43.5 ft.	24 in.	54.25
47.5 ft.	38 in.	49.70
51.5 ft.	38 in.	38.85
55.5 ft.	32 in.	74.20
60.0 ft.	32 in.	7.00
68.0 ft.	30 in.	39.20
72.0 ft.	36 in.	55.65
74.0 ft.	28 in.	31.50
76.5 ft.	35 in.	59.85

Present intentions are to follow out the vein on the 300-ft. level, which should be a distance of 400 ft. The shaft will then be deepened to 450 ft. and the vein developed on that horizon. Officials of the company believe that with the showings now being obtained on the second level they will be justified in the spring in providing for a mill of 50 tons daily capacity.

The Bousquet operation was started a year ago by Mr. Brooke and was continued for some time under private financing by Sudbury interests. Later the interest of a prominent Toronto mining company was enlisted.

MINING INDUSTRY GETS UNITED VOICE IN NEW FORMATION

Canadian Metal Mining Assoc. Includes Outstanding Names

With a directorate that reads like a "Who's Who" of the Canadian Mining Industry, the Canadian Metal Mining Association is at present being incorporated, The Financial Post is informed.

The objects of the association, which is being formed as the result of a general meeting of mining representatives of the metal mining industry from all parts of Canada, will be, according to the official announcement—"to collect data of interest to the industry and to the public; to stimulate an exchange of operating information among the various mines, especially as regards health and safety measures, and to generally further the interests of the metal mining industry as a whole."

Actually the association, which has been talked of for some time, will supply a much needed, unified voice for the industry.

The following board of directors has been elected:

J. P. Bickell, president, McIntyre Porcupine Mines.

R. T. Birks, president, Howey Gold Mines.

A. L. Blomfield, managing-director, Lake Shore Mines.

Charles Bocking, president, Granby Consolidated Mining, Smelting & Power Co.

R. H. Channing Jr., president, Hudson Bay Mining & Smelting Co.

J. G. Dickenson, general manager, M. J. O'Brien Ltd.

Alex. Fasken, secretary, Dome Mines.

John Knox, general manager, Hollinger Consolidated Gold Mines Ltd.

D. MacAskill, general manager, The International Nickel Co. of Canada.

E. L. Miller, president, Wright-Hargreaves Mines.

W. V. Moot, managing-director, Sylvanite Gold Mines.

J. Y. Murdoch, president, Noranda Mines.

J. C. Nicholls, asst. to president, The International Nickel Co.

A. H. Paradis, president, Sullivan Consolidated Gold Mines.

J. D. Perrin, president, San Antonio Gold Mines.

J. I. Rankin, director, N. A. Timmins.

Victor Spencer, president, Pioneer Gold Mines of B.C.

Austin C. Taylor, president, Bralorne Gold Mines Ltd.

J. J. Warren, president, The Consolidated Mining & Smelting Co. of Canada.

J. P. Watson, president, The Mining Corporation of Canada.

A representative (to be appointed), Maritime metal mining industry.

An executive committee has been appointed from the above directorate, comprising the following: J. Y. Murdoch, chairman; J. P. Bickell, Alex. Fasken, J. J. Warren and J. P. Watson.

C. G. Williams has been appointed secretary of the association, whose head office will be Room 1012, Star Building, King St. W., Toronto.

Metal Prices

New York—Dec. 18—

Copper: Electrolytic spot and future, 9c.

Silver: 53⅛c.

London—Dec. 18—

(Long Ton)—

Copper: Electrolytic spot, £31 10s; future, £32. Standard spot, £28 2s 6d.; future, £28 12s 6d.

Tin: Spot, £228 15s; future, £228 10s.

Lead: Spot, £10 2s 6d; future, £10 7s 6d.

Zinc: Spot, £11 12s 6d; future, £11 17s 6d.

Silver: 23⅞d. per ounce.

Gold: 140s 9d.

Canada—Dec. 18—

At the Mines

Alexandria Gold Mines. — Announcement has been made by Alexandria Gold Mines that an option agreement has been ratified by directors whereby Alexandria mine will again be under active development. The agreement made with Robt. Crowe-Swords, president of Hercules Consolidated Mining, Smelting and Power Corp., provides that the property shall be taken over immediately. If the option is exercised a new company will be organized to operate the property in which Alexandria will have a 40 per cent interest.

* * *

Bankfield Gold Mines. — With sinking proceeding at the rate of eight ft. per day the shaft on the Little Long Lac property of Bankfield Gold Mines is expected to reach a depth of 150 ft. by the end of the present year. From this point it is planned to establish the first level from which to work into the south vein. The shaft will be carried to 300 ft., where a second level is planned, before drifting on the ore zone is commenced.

* * *

Bob Tough Gold Mines.—Active development work on the West River property of Bob Tough Gold Mines is proceeding, officials announce. Installation of the steam mining plant has been completed and the three-compartment shaft on the property has been put down to a depth of about 50 ft. It is the intention of the company to continue sinking and to proceed with a programme of underground development during the winter months.

* * *

Central Patricia Gold Mines.—With the recent shipment of a gold brick valued at $37,503 to the Ottawa Mint, representing November production, the production of Central Patricia Gold Mines since the mill was placed in production in May of this year was brought to approximately $180,000. December production is expected to run at about $40,000.

* * *

Clark Gold Mines,—which two months ago started development of a property in the Kenora Mining Division of Ontario, has shipped its first carload of ore to the Flin Flon Smelters, E. N. McLean & Co., sponsors of the stock, inform The Financial Post. It is now planned to concentrate future operations on the extension of the shaft to the 100 ft. level, it is reported. The station is to be cut at that depth in preparation for lateral diamond drilling operations to prove at depth values uncovered on the surface.

* * *

Gachin Gold Syndicate. — The regular quarterly dividend of 15 cents per unit plus an extra 10 cents has been declared payable Dec. 31 to unitholders of record Dec. 15. Total disbursements in 1934 by Gachin Gold amount to $1 per unit.

* * *

Granada Gold Mines.—A special general meeting of shareholders of Granada Gold Mines has been called for Dec. 28 to consider a proposal to reduce the number of shares held by the public, according to a letter to shareholders over the signature of W. A. Gamble, secretary. It is proposed to cancel two thirds of the issued stock as held by shareholders, thus reducing the outstanding capitalization to 467,079 shares. This is to be followed by the creation of an additional 934,158 shares, bringing the authorized capitalization once again to 1,500,000 shares since there are at present 98,763 shares in the treasury. Upon completion of the reorganization there will remain in the treasury 1,032,921 unissued shares.

* * *

Granby Consolidated Mining and Smelting. — Shareholders meeting in New York on Dec. 12 approved the recommendation of the directors that the management be empowered to close down operations at Anyox, B.C., at its discretion. The properties will be operated as long as it is deemed expedient and the price of copper justifies such action. Charles Bocking, president, told shareholders that the size of ore reserves is not sufficient to justify reopening the mines once they have been closed down unless copper increases in price beyond what is expected.

* * *

Kirkland Lake Gold Mines.—Production for November is reported to be $64,988 as against $45,000 in October. Production in the first 11 months of 1934 was $115,000 higher than for the whole of 1933.

* * *

Texas Canadian Oil Corp.—Well No. 21 of the Texas Canadian Oil Corp. in the East Texas field was brought into production this week. The well is located on the Cook Farm Jordan survey and is the company's fifth well on this lease. The rated production of the well is 860 barrels per hour. Toronto Pipe Line Co., subsidiary of the British American Oil Co., are the purchasers of the oil from the lease and are paying $1 per barrel at the wellhead.

* * *

Vickers Mines.—A special general meeting of shareholders of Vickers Mines has been called for Dec. 22 when shareholders will be asked to approve a by-law authorizing an increase in the capital stock from 1,500,000 to 3,000,000 shares $1 par value. The increase in capital is necessary, officials state, if the company is to take up its option on the property of Royalite Gold Syndicate in the Matachewan area and to provide finances for the development of the property.

Score of New Producers Celebrate First Christmas Under Happy Auguries

1934's Crop of New Gold Mills Presents Cheery Picture as Year Ends — Original Estimates Prove Too Optimistic

In a few days, twenty-one outstanding gold mines across Canada will be celebrating their first Christmas as producers. The Mining department of The Financial Post wishes these bright young things many happy returns of the day.

In the early part of this year, some optimists predicted there would be forty new mills by Christmas. Much has happened since that prediction was made. That it set a high goal for the Canadian gold mining industry can be seen by the fact that last Christmas there were only forty important gold producers in the whole Dominion. That the actual accomplishment of 21 potentially important new producers is a meritorious one, is evidenced by the same figure.

It is no easy thing to crash the ranks of producers, as the number that fell by the wayside, or had their plans set back many months, will testify.

The fact that 21 properties in Canada survived the hazards and obstacles which surround the development and financing of a new producer, is one of which the industry may well be proud.

Much of this expansion can of course be attributed to $35 gold. However, a survey made by The Financial Post brings out the fact that several of the new producers are handling a grade of ore which would have been profitable even at $20.67 gold.

The number of major new gold producers has been given as 21. There are of course, several properties which have started to produce gold for the first time in 1934, but who are treating the ore elsewhere. There are also a number of intermittent producers, operating on a small scale.

Another cheering aspect of the situation as this year draws to a close, is that there are, in nearly every province of the Dominion, several properties whose development has been brought to the stage where the prediction can safely be made that they will be producers by the time Christmas of 1935 rolls around.

The following survey of new producers does not claim to include the type of property referred to above. It is limited entirely to those properties on which a mill started for the first time in 1934. Neither is it an attempt to analyze exhaustively, the condition of each property, but to show what these young concerns offer this Christmas to investors:

Algoma Summit Gold Mines

While this company can hardly be said to be a producer, latest reports from the mine state that the new 36-ton Bramore unit was being tuned up, and operated on a three-shift per day basis. Officials of the company state that mill values run in the neighborhood of $20 per ton, and that the main vein can supply enough ore to keep the mill running for a year. Development on this property is by no means complete, and the present operations are looked upon more as a test operation, than as regular production. Power is developed by Diesel engines. This property was formerly owned by McCarthy-Webb Goudreau Mines, in the Goudreau mining district of Algoma.

Casey Summit Gold Mines

Owing to the fact that this company started production in September of this year, it must be included in the new producers, although at time of writing its future is problematical. It is understood that the company has outstanding debts of about $80,000. Official approval has been given the compromise arrangements which this company is making with creditors, whereby a new company will be incorporated, to be known as Cassummit Gold Mines, with an authorized capitalization of $3,000,000. Since the mill started, output has been small, the mill operating at 50 tons a day. At this time, it is not definitely known whether operations will be suspended at the property, pending the formation of the new company, or not. Two engineers are giving the property a thorough examination.

Central Patricia Gold Mines

This property in the Crow River area, Patricia district, commenced production in May of this year, and is currently handling about 60 tons daily. The recovery per ton in November amounted to .644 ounces. Estimated operating costs are in the neighborhood of $10 per ton. Ore reserves at present developed are said to be in the neighborhood of 50,000 tons. This company is a well-managed one, and at the last annual report showed a working capital of $110,711.

Greene-Stabell Mines

While this company started production late in 1933, it did not strike a paying stride until April of this year, and so may properly be classed with the 1934 debutantes. Latest reports from the property indicated that production was running at about $20,000 per month, with millheads averaging about $14. Costs, including handling of the concentrates, and head office expenses are down to $6 per month.

Under the aggressive management of John Hammell, ore reserves are being added to as work proceeds. In November, the ore picture was shown by official reports as being a healthy one. Hydro-Electric Power from the Northern Quebec Power Co. was cut in on July 1.

Island Lake Mines

This company, in which Ventures has a large interest, has been besieged by troubles during its first year as a producer, although last reports stated that production has been resumed after a temporary shut down, necessitated when a vital piece of machinery broke during the freeze-up period.

Milling operations commenced at this property, which is situated at Island Lake in Manitoba, in April of this year with a 50-ton mill. This mill contains a flotation unit, an amalgamation recovery unit in addition to cyanidation. At present the concentrates from the flotation unit are being held for further treatment at a later date. The amalgam plant returns bullion and also a sand concentrate. The sand concentrate is shipped to the smelter at Flin Flon, and the bullion direct to the mint.

The ore situation at this property is at present in doubt. Developments during 1933 were disappointing, the underground workings not showing continuation of the good lenses encountered by shallow drilling. No new ore bodies have been discovered in 1934, although there are reports that Ventures plan much larger developments.

J. M. Consolidated Mines

This company, which has large holdings in the Patricia area of Ontario, is now operating a 30-ton mill, which commenced in May, and has been operating, with few intermissions since. In October, the management of the company announced that a new ore body had been opened up below the 125-ft. horizon, having a width of over five ft., and averaging over one ounce of gold per ton. Up to the end of September, this company had produced, according to Ontario government reports, a total of about 665 ounces of gold and 403 ounces of silver, having a value, at $20.67 gold, of $13.933. During November 5,050 tons of ore was handled.

The latest available estimate of ore reserves gives 40,700 tons blocked out, averaging between $15 and $25, and 35,000 tons partially developed. Since then, ore reserves have been considerably augmented by current development work.

Kootenay Belle Gold Mines

This company was one of the earliest producers in the Sheep Creek area, B.C., but it was not until late this year that a new 60-ton mill was completed. Prior to the tuning in of this mill, the company had shipped its ore to the smelter at Trail. From the beginning of the fiscal year, on March 1, to the end of October, this company had shipped a total of 611 tons of ore with a content of 1,334 ounces of gold, and 669 ounces of silver. At the average figure quoted by the Trail smelter the value of the gold content was $42,400, from which the company, after deducting charges, received $37,376.

It is expected that initial milling rate will be about 35 tons per day.

Lebel Oro Mines

This company, with properties in Long Lake area, Ontario, has all the mechanical facilities for production, Paul Fahrenholtz, secretary-treasurer, informs The Financial Post, but the new 200-ton mill will not be tuned up until the spring. The necessary machinery coming from San Francisco, was held up by the autumn strike, and did not arrive at the property until October.

This property is a comparatively old one, having been worked previously by Long Lake Gold Mines, and tailings from the old operations are said to amount to 140,000 tons with an average of $3.50 per ton. This is thought to be sufficient to pay the cost of mill construction.

The company also owns a property near Kirkland Lake, but former operations showed no commercial ore.

Little Long Lac

In scanning the array of debutante producers, the property of Little Long Lac Gold Mines is conspicuous, chiefly because it has just poured its first brick, and is therefore the youngest producer in Canada. Also, it has set up a new record in Canadian mining, in the way of speedy attainment of established production.

It has been estimated that this property has at the present capacity of 200 tons daily, five years ore ahead of the mill, even if no more development work is done. Development, however, has by no means stopped. It is estimated that costs for the first year's operations will run in the neighborhood of $7 per ton. The grade so far has been over .8 ounces of gold per ton.

Marbuan Gold Mines

Marbuan Gold Mines is producing in a modest way, from the property in the Porcupine area of Ontario formerly operated by March Gold Mines. The mill, which started operations in July, is treating about 150 tons per day. Ontario government figures give this company a production of 1,723 ounces of gold and 154 ounces of silver to the end of September. Present indications are that this mine will never make a large producer. No estimate of ore reserves has been issued by directors, most of whom are Buffalo men.

Matachewan Consolidated Gold Mines

The new 100-ton mill at this company's property in the Matachewan area, which was placed in operation in November, is now operating at capacity. Ventures and Sudbury Basin Mines are sponsoring the operations.

This mine was taken over from Canadian Matachewan Gold Mines in 1932, and the new company started development in May, 1933. While the ore is reported to be low grade, it is officially reported to be present in considerable quantities. In July of this year, the company reported ore reserves totalling 122,172 tons, with an average grade of $6.92 per ton.

McMillan Gold Mines

After the trials and tribulations usually encountered by a new producer, McMillan Gold Mines is settling well into harness as a producer, although the grade still reflects slightly erratic conditions. November was the best month for this company since production started in August. In November, the bullion recovery amounted to 831.69 ounces. For the four months it has been in production, this company has produced a total of 2,000 ounces of gold. The average recovery per ton has been in the neighborhood of .22 ounces. The mill is now running at its capacity of 100 tons per day. No recent estimate of ore reserves has been issued, but early in the year, the estimated tonnage of ore indicated by surface and underground drilling and by drifting above the 500-ft. level was 53,940 tons, averaging $8.25 per ton, with gold at $20.67.

The property, acquired from the old Gold Nugget Mining and Development Co. is in the Sudbury district.

McWatters Gold Mines

The mill on this company's property in Rouyn Twp., Quebec, is now operating at a rate of about 50 tons per day, Robert Cockeram, president of the company, informs The Financial Post. The grade of ore gives a recovery of between $900 and $1,000 daily.

This company came into production early in September. It is stated that with a few changes the mill can be stepped up to 100 tons daily. Costs have been estimated to be about $9 per ton when the mill strikes its stride.

Earlier in the year, total ore reserves at this property were estimated to total 23,700 tons, with an average value of about $19.84 per ton, with gold at $35.

North Shores Gold Mines

On its property in the Thunder Bay district, North Shores Gold Mines started operation with a small mill, and on waste rock, in October of this year. While some interesting recoveries have been reported, the company has not been in operation sufficiently long to report on the measure of its success. At the time the mill started, however, company officials stated that work done indicated two years ore supply above the second level, valued at $500,000.

Ore is being developed and mined by means of a tunnel driven into the hillside. Considerable development work has been done. In 1932, the property shipped 149 tons of ore to Noranda and International Nickel smelters, and returned gold to the value of $14,167, with gold at $20.67 per ounce.

Nova Scotia Gold Mines

This company has two properties in Nova Scotia, in the Caribou area, and at Tangier. Rapid development at Caribou resulted in the old mill being reconditioned, and started up in the middle of the summer. Work here is now being carried on under the direction of Consolidated Mining and Smelting Co. leaving the Nova Scotia Gold Mines free to continue work at Tangier, where a hydro plant is being completed.

The mill at Caribou is the 20-ton stamp mill variety.

Paymaster Consolidated

An old producer, this property yielded its first brick under the new régime in November of this year, with a value of $22,000. The company's cyanide mill and crusher were placed in operation in September. Current information is to the effect that the mill is operating at 100 tons daily.

In September, at the time of the tuning in of the mill, ore reserves were estimated to be 51,000 tons with a grade ranging from $6 to $11 per ton.

The property is in the Porcupine area, of Ontario, and was a former producer. Operations were resumed in August, 1933, following refinancing arrangements. As at June 30, the company's liquid position was fairly strong, and a working capital of $48,795 was shown. There are outstanding about $5,488,318 of the company's $9,000,000 authorized capitalization.

Perron Gold Mines

This company, although operating only a 35-ton mill at the present time, has a definite place among new 1934 producers.

In a report issued in November, J. P. Norrie, general manager of the company, states: "At the moment a small high grade mine is definitely assured. I believe that favorable development in the next three months should warrant the installation of electric power, and a new 100-ton cyanide mill."

Over the extensive development being carried on, assay returns are officially reported to show satisfactory values. The full extent of the ore bodies has yet to be proved.

St. Anthony Gold Mines

While this company started production in May, of 1934, it did not strike its full stride until a month or two later. At the present time the mill is handling about 70 tons daily with an average grade of ore of about .834 ounces.

The property, also an old producer, is in the Thunder Bay area of Ontario. Ore reserves are said to be sufficient for several years operations. Development work is being carried on in conjunction with production. The balance sheet of this company as at Dec. 31, 1933, showed an excess of current liabilities over current assets of $17,012.

During the first six months of its operation, the Ontario Government reported production from this property to $25,099.

Sullivan Consolidated Gold Mines

First profits from the new mill of this company were reported in September of this year. Early in December, A. H. Paradis, president of the company stated that the mill was handling about 60 tons of ore a day, in ore with a grade of about $17 per ton, at current gold prices. A new hoist and compressor has been started up, and the programme of development has been increased. The ore reserves have been considerably augmented, according to officials, by the opening up of a new vein which, at the time of writing, covered the whole width of the drift.

Thompson-Cadillac

The troubles which have beset this company, culminating in sudden voluntary bankruptcy, are now well known to readers of The Financial Post. The enquiry by the Ontario Securities Commission is still continuing, into the optimistic reports which, right up to the last continued to come from the property.

Ymir Yankee Girl Gold Mines

While an old producer, this company, operating in the Nelson mining division of B. C., earns the right to be included in this survey on account of the rapid strides made in 1934, culminating in the completion of a new 100-ton mill in September. Ore reserves are estimated at 181,400 tons of reasonably assured ore, and 87,200 tons of probable ore, the assay value of which is computed at .47 ounces gold per ton.

Young-Davidson Mines

Under the guiding genius of Hollinger Consolidated Gold Mines, this company with property in the Matachewan area of Ontario, came into production under excellent auguries. The ore is low grade, but costs are low, chief operations being by the open pit method. The mill is capable of handling 600 tons daily, and the grade of ore runs about .10 ounces per ton. While open pit methods have been used to date, it is expected that eventually underground developments will have to be resorted to.

BRITISH CAPITAL BACKS POWER CO. FOR CARIBOO, B.C.

Will Start in Spring to Develop Water Power Sites

From Our Own Correspondent

VANCOUVER—British capital is behind a $1,000,000 hydro-electric development contemplated for the Cariboo district to serve mining operations in the Barkerville zone.

R. L. Maitland, K.C., filed papers of incorporation for Cariboo Hydro-Electric Power Co., and it is understood that a start will be made early in the spring in the development of available water power resources near Jack of Clubs Lake or on Lightning Creek.

The project is a sequel to the investigations carried on during the past summer by J. Norman Wynne, London mining engineer, who examined the property of the Cariboo Gold Quartz Co., and the Newmont Co. Newmont recently installed a 50-ton mill, and Cariboo Gold Quartz has been operating a 100-ton mill.

The new company has acquired water power rights. British interests, so far not identified, have been taking extensive interest in mining claims in the Barkerville area.

According to Dr. W. B. Burnett, president of Cariboo Gold Quartz, the hydro-electric plant contemplated will have an initial capacity of 5,000 horsepower, to be developed from Swamp River.

The Cariboo Quartz Mine is now using about 1,000 horsepower and the Newmont Company about half that much. Power consumption at Barkerville and Wells will make the total required about 2,000 and this, of course, will be increased substantially next spring.

FARM MARKETS SCHEME DAMNED AND PRAISED

(Continued from page 10)

prairie provinces have encountered keen opposition from a number of organizations but they, also, it is believed, will be approved before Christmas. Opposition interests who laid their arguments against the schemes before the Marketing Board were: the retail merchants, the egg and poultry producers' protective associations in these provinces, the dealers, the packing houses and minor bodies.

Livestock Schemes

This week the Board began consideration of livestock schemes proposed by the co-operative livestock producers of Saskatchewan and Alberta. The Manitoba association, being opposed to any policy of compulsion, declined to submit a scheme. Here again there will be strong opposition from interests who believe themselves to be directly menaced. The packers will probably lead the fight against adoption, but the belief at Ottawa is that the Dominion Board will recommend the livestock schemes to the government.

The fourth scheme concerns "lumber and its products," and comes from Montreal. Details have not been divulged by the Board.

B. C. Support

From Our Own Correspondent

VANCOUVER. — Having discovered that under the present marketing legislation British Columbia will be unable to check competing imports of agricultural products from other provinces, farm interests here are giving support to a proposed federal bill giving the government authority to fix prices on all agricultural products, local or imported.

The provincial department of agriculture has already signified its approval of such legislation and when producers of the three western provinces confer in Vancouver on marketing problems on Jan. 6 the subject will be discussed.

Present federal and provincial legislation excludes actual price fixing, but if producers should undersell the prevailing price their licenses may be revoked. Commodity board may fix the time of the sale and the volume. This would probably be sufficient power for the local boards if it were not for outside competition.

When the issue gets before the legislature it is fairly certain to be broadened to include more than farm products. Most of the controversy arose first as a result of the sale of canned tomatoes in B. C. that had been shipped from Quebec, and offered here at a price lower than B. C. packing plants claimed they could meet.

Ottawa Embarrassed

From Our Own Correspondent

OTTAWA. — Reports indicating the intention of the British Columbia government to use the marketing act to control imports from the prairie and central provinces, is causing anxiety in government circles.

The consensus of opinion is that the Pattulo government will be within its jurisdiction in using the provincial marketing act to "fix" prices at a level which will enable British Columbia industry to compete on even terms with industries of the Eastern provinces.

That British Columbia for years has been seeking means of curbing these "imports" is known. But until dispatches indicated an intention on the part of Hon. K. C. MacDonald, minister of agriculture, to invoke the price fixing powers of the marketing act, it was not believed possible for the coast province to act within the constitutional limits fixed by the B.N.A. Act.

Would Curtail "Imports"

Surveys of British Columbia trade, as reported here, are to the effect that a very large percentage of manufactured goods and primary products consumed in British Columbia are produced on the prairies and in the east. Figures given here are tobacco, 85; dresses, 70; cloth coats, 60; men's and boys' shirts, 70; cotton goods, 75; rubber goods, 75. The prairie provinces ship beef, lamb, poultry products and butter to Vancouver. Most of these products, with the exception of cottons and linens, are natural products within the meaning of the marketing act.

The case for curtailment of imports into British Columbia from the eastern provinces rests upon an alleged difference in living standards. The British Columbia authorities contend these standards are much lower on the prairies and in Ontario and Quebec than on the coast and, therefore, the competition is unfair.

It is learned that strong efforts will be made to dissuade the Pattulo government from embarking on this policy but that if these efforts fail there is little likelihood of the Dominion attempting to exercise the right of disallowance. Under the B.N.A. Act it is competent for the Dominion to disallow a provincial statute at any time within three years of its enactment.

Opposition Grows

From Our Own Correspondent

LETHBRIDGE, Alta.—Opposition to any compulsory livestock marketing scheme for Alberta is growing. Recently the opponents of the plan formed an organization here, the Southern Alberta Livestock Producers' Protective Association, with Roi Risinger, prominent New Dayton rancher, as president; Robert Patterson, Lewis Peterson, and Thos. Long, vice-presidents; and P. V. Lewis, Lethbridge, secretary.

Since this organization was formed scores of letters have poured into the association's office and it is likely that from the beginning here a province-wide organization will be launched. Enquiries received from Saskatchewan and Manitoba livestock producers and public men indicate a widespread interest in the move to preserve the established channels of marketing.

At the fall convention of the U.F.A. here early in the month a resolution endorsing the proposed Livestock Marketing scheme encountered a rough passage. Unexpected opposition arose from delegates who vigorously voiced their disapproval declaring for the maintenance of the regular agencies and a competitive market. "The history of pools in this province is not such as to strengthen one's confidence in the pool idea," one delegate said.

Livestockmen's View

From Our Own Correspondent

SASKATOON, Sask.—P. E. Roblin, president of the Saskatchewan Co-operative Livestock Producers Ltd., takes exception to a recent article published in The Financial Post in which it was intimated that there was a possibility of those at first interested in the livestock marketing scheme withdrawing at a later date.

"There is definitely no intention of withdrawing any plan or scheme," states Mr. Roblin, "but on the contrary satisfactory progress is being made in carrying out this undertaking at an early date. It is very evident that your correspondent is a deadly opponent to any marketing schemes and is evidently not suffering from unfavorable market conditions which necessitates the selling of cattle from 50 cents to $2.50 per hundred pounds nor has he observed the unwarranted deliveries of unfinished livestock to markets from areas where feed is in evidence." Such deliveries in the opinion of Mr. Roblin depress prices and force an undesirable product on the packer, forcing him in turn to speculate and carry over such products.

"Further," adds Mr. Roblin, "your correspondent has failed to observe the grave necessity of directing some organized effort to encourage the improvement of quality and improved breeding conditions in livestock—failure of which has resulted in breaking down any favorable export markets, which might be cultivated and retained, through some organized effort of regular marketing."

Manitoba Lukewarm

From Our Own Correspondent

WINNIPEG.—Even if established by the Dominion Marketing Board and the Dominion Government the egg and poultry marketing schemes are only academic documents until reinforced with a grant of powers from the provincial governments. Such powers, under acts passed at the last sessions of the legislature, can be conveyed by the provincial governments. But even if it is proclaimed it is extremely doubtful if the government would act without a vote being taken of producers in view of the extent of opposition that has been manifested in Manitoba, including the demand of the United Farmers of Manitoba for a vote of producers before any scheme is approved.

If and when the poultry scheme receives approval from the Dominion Marketing Board there appears to be a fine opportunity for buck passing between Winnipeg and Ottawa. Ottawa authorities may ignore any question as to whether or not a desired scheme meets the wishes of producers. As laws now stand that is a matter of provincial government responsibility, and the Dominion Board would seem to be acting correctly if it limited itself to declaring a scheme practicable and within the intention of the Dominion Marketing Act. The Board is under no responsibility either to take a vote of producers or to insist that one should be taken. The provincial government may with equal correctness decline to proceed until a vote of producers is taken, but it is under no responsibility either to take such a vote or to provide the funds for having one taken.

If these difficulties can be overcome a very lively campaign appears to be in prospect. A good deal of education on both sides would appear to be required, for reports from the country are to the effect that at the moment interest in the question is decidedly slight.

Mining Concerns Newly Formed

Amos Mining Co., Ltd.—Que. Incorp., Nov. 19; H.O., Montreal; Author. capit., $49,000, par $1.

Nottawa Oil & Gas Co. Ltd.—Ont. Incorp., Nov. 13; H.O., Toronto; Author. capit., 1,000,000 shs., n.p.v.

Ontario Chemical Minerals, Ltd.—Ont. Incorp., Nov. 21; H.O., Toronto; Author. capit., 300,000 shs., n.p.v.

Merged

Antler Gold Mines Ltd.—Ont. Incorp., Oct. 11, 1934; Name changed from Knox Sturgeon River Gold Mines Ltd. by order dated Nov. 14, 1934.

Charter Surrendered

Minaker-Kirkland Gold Mines, Ltd.—Ont. Incorp., Jan. 15, 1914. Charter surrendered Dec. 10, 1934.

Mining Stock Quotations

Week Ending December 17.

Par Val.	Range 1934 High	Low	Company	Sales	Close Dec. 10 (or last)	High for week	Low for week	Close, Dec. 17
1	.06	.00½	Aconda	100	.00¾	.00¾	.00¾	.00¼
No	.33	.06½	Aldermac	6,500	.08	.08½	.08	.08
1	.10	.01½	Alexandria	50,700	.01½	.01½	.01½	.01½
No	.18	.02½	Algoma	4,000	.03	.03½	.03½	.03½
1	.04	.00½	Amity Copper	500	.00½	.00½	.00½	.00½
No	4.51	2.00	Anglo-Huronian	2,091	3.75	4.00	3.70	4.00
1	.08½	.01½	Area	8,000	.01½	.01½	.01½	.01½
No	.20	.01½	Arno	......	.01½	.....	.....	.....
1	1.25	.15	Ashley	5,100	.16	.18	.17	.18
1	.18	.02	Astoria Rouyn	16,000	.02½	.02½	.02½	.02½
1	.60	.04	Bagamac	65,700	.07½	.08	.07	.07½
1	.04½	.00½	Baldwin	8,000	.01½	.01½	.01½	.01½
1	.22	.06	Barry Hollinger	27,700	.07½	.07½	.06	.06
1	2.05	.58	Base Metals	6,400	.61	.60	.58	.59
1	.91	.16	B.E.A.R.	37,700	.24½	.25	.21	.21
No	2.45	1.90	Beattie Gold	4,295	1.99	2.00	1.96	2.00
1	.51	.26½	Big Missouri	22,342	.30	.33	.30	.33
1	.75	.23	Bobjo	133,855	.26½	.36	.26	.33
1	3.72	1.70	Bradian	815	2.20	2.25	2.10	2.10
No	17.00	9.90	Bralorne	4,730	12.40	12.65	12.25	12.25
1	1.50	.10	Brasil Gold	1,000	.30	.25	.25	.25
1	.16	.02	Brett Trethewey	1,100	.02½	.02½	.02½	.02½
50c	1.41	.16	Bridge River Ex.	10,900	.23	.23	.17	.17
1	.09	.01½	Brownlee	47,703	.02½	.02½	.02	.02½
1	.02½	.00½	Buckingham	......	.00½	.....	.....	.....
1	3.98	1.90	Buffalo Ankerite	9,190	3.00	3.13	2.95	2.95
No	.14	.01½	Buffalo Can.	2,500	.01½	.01½	.01½	.01½
5	37.50	23.50	Bulolo Gold	920	33.50	34.50	33.25	34.50
No	.11	.03	Bunker Hill	3,900	.04½	.04½	.04	.04½
5s	1.20	1.00	B'Wana McKubwa	......	1.20	.....	.....	.....
No	.14	.02½	Canam Metals	......	.03	.....	.....	.....
1	.20	.02½	Can Kirkland	14,200	.02½	.03½	.02½	.03½
No	.78	.38	Can. Malartic	7,050	.58	.60	.55	.56
1	.02½	.00½	Capital Rouyn	2,000	.00½	.00½	.00½	.00½
1	2.85	1.00	Cariboo Gold	300	1.40	1.40	1.38	1.38
1	.09	.01	Cartier Malartic	7,000	.02½	.02½	.02½	.02½
1	.81½	.49	Castle Trethewey	14,945	.65	.66½	.64½	.64½
1	.16	.05	Cen. Manitoba	8,400	.05½	.06	.05½	.06
1	1.25	.54	Cen. Patricia	68,885	1.00	1.10	.97	1.07
No	.16½	.05½	Chibougamau Pros.	22,200	.08½	.09	.08	.08½
No	.15½	.03	Church. M. & Mill.	4,300	.03	.03½	.03	.03½
No	.14	.02½	Clericy	10,250	.02½	.02½	.02½	.02½
1	.03½	.00½	Clifton Cons.	2,000	.00½	.01½	.01½	.01½
5	5.75	1.60	Coast Copper	250	2.15	2.15	1.75	2.00
1	.06½	.02	Cobalt Contact	16,000	.02½	.02½	.02½	.02½
No	.94½	.08½	Columario	24,650	.13	.13	.08½	.08½
5	2.80	1.35	Coniagas	1,700	2.25	2.35	2.10	2.35
No	2.38	.97	Coniaurum	13,278	2.00	2.38	1.97	2.30
25	170.25	118.00	Cons. Smelters	558	139.00	139.00	133.00	135.50
25c	.54	.31	Crown Cons.	36,175	.53½	.54	.53	.54
No	45.50	32.00	Dome Mines	2,437	36.75	38.50	36.00	38.50
1	.14	.06	Dom. Explorers	1,100	.06½	.07	.06	.06
1	.02½	.00½	Dominion Kirk.	19,175	.01½	.01½	.01½	.01½
1	.17½	.01	Duparquet	107,400	.08½	.10	.08	.10
1	4.35	.86	Eldorado	78,340	1.07	1.30	1.02	1.20
No	4.15	3.00	Falconbridge	1,845	3.50	3.55	3.35	3.45
1	.11½	.01½	Federal	2,500	.02½	.02½	.02½	.02½
No	.07	.01½	Gilbec	2,500	.01½	.01½	.01½	.01½
No	4.30	.70	God's Lake	168,975	1.62	2.21	1.59	2.02
1	.30	.08	Goldale	6,700	.17	.19	.15	.18
50c	.47	.28½	Gold Belt	200	.30	.40	.40	.40
10	.57	.12	Goldfield	1,600	.20	.14	.14	.14
1	.43	.07½	Goodfish	......	.10	.....	.....	.....
1	.18½	.02	Graham Bosquet	4,000	.02	.02½	.02	.02½
1	1.09	.10	Granada Gold	24,960	.14	.14	.10½	.11½
No	.53	.06½	Grandora	18,600	.09	.09	.06½	.09
1	1.22	.20	Greene Stabell	14,600	.30	.32	.30	.31
1	.18	.04½	Groselle	......	.04½	.....	.....	.....
1	.48	.05	Grull Wihksne	......	.05	.....	.....	.....
1	2.50	.44	Gunnar Gold	191,575	.56	.83	.57½	.80
1	.53½	.04	Halcrow Swayze	1,600	.04½	.05	.05	.05
1	.15	.03½	Harker	6,500	.06	.06½	.05½	.06
1	.02½	.00½	Hilltop	7,000	.00½	.00½	.00½	.00½
5	21.65	11.40	Hollinger	15,634	18.85	19.40	18.50	19.05
1	1.40	.93	Howey Gold	14,350	1.02	1.11	1.03	1.08
No	15.00	9.00	Hudson Bay	1,900	12.00	12.00	11.50	11.80
1	14.25	10.45	Inter. Mining	......	13.75	.....	.....	.....
1	6.25	4.00	Do., Pur. Warr.	......	5.25	.....	.....	.....
No	29.00	21.15	Int. Nickel	15,886	22.73	23.00	22.25	22.50
1	.48	.17	J. M. Cons. Gold	24,006	.23	.24½	.20	.20
1	.03½	.00½	Keora Mines	5,000	.01	.01½	.01½	.01½
1	.39½	.08	Kirkland Cons.	4,600	.10	.12	.10	.10
1	.73½	.30	Kirk. Hud. Bay	1,400	.33	.30	.30	.30
1	.05	.00½	Kirk. Hunton	6,750	.01	.01	.01	.01
1	.79½	.29	Kirkland Lake	20,300	.55	.62	.55	.61
1	.40½	.15	Kirk. Townsite	10,100	.18	.20	.19	.20
20c	.02½	.00½	Koot. Florence	1,000	.01	.01	.01	.01
1	.23	.01	Lakeland	19,000	.01½	.01½	.01	.01½
No	.18	.03	Lake Maron	101,200	.04½	.05½	.04½	.04½
1	58.50	42.00	Lake Shore	6,098	52.15	53.50	50.75	52.30
1	.48	.03	Lamaque Contact	6,000	.04	.04½	.04	.04½
1	.26	.03	Lebel Oro	63,400	.03½	.05½	.03½	.05
1	.22	.03	Lee Gold	48,200	.03½	.03½	.03	.03
No	7.75	4.05	Little Long Lac	121,732	5.80	7.15	5.75	6.95
1	3.05	1.85	Macassa	26,474	2.45	2.62	2.40	2.55
1	.08½	.01½	Malrobie	8,500	.02	.02	.01½	.01½
No	.17	.05	Mandy	2,000	.08	.08	.08	.08
No	.40	.12	Man. & Eastern	40,500	.15½	.17	.12	.16
1	1.00	.07	Maple Leaf	24,650	.08	.08½	.07	.07
5	50.00	39.00	McIntyre	3,810	40.75	42.00	39.50	42.00
1	1.74	1.01	McKenzie Red L.	27,100	1.22	1.32	1.18	1.27
1	.75	.50	McKinley	50	.70	.68	.68	.68
No	.06½	.01½	McLeod River	59,500	.01½	.01½	.01½	.01½
1	.75	.30	McMillan	70,700	.39	.39	.30	.31
No	.55½	.25	McWatters	19,450	.35	.40	.35	.38
1	1.21	.24	McVittie	8,400	.30½	.30	.26	.27½
5	1.50	.50	Mentor Exp. & Dev.	......	.50	.....	.....	.....
No	2.47	1.01	Mining Corp.	1,200	1.08	1.10	1.05	1.05
No	.21	.16½	Minto Mines	......	.16½	.....	.....	.....
1	.08½	.02½	Moffatt Hall	8,000	.03	.03	.02½	.02½
1	.20	.08	Moneta	2,700	.11	.11	.11	.11
1	.04	.01	Murphy	11,000	.01	.01½	.01	.01
No	.09½	.01½	Newbec	4,400	.02	.02½	.01½	.02
1	.06½	.02½	Night-Hawk Penn.	2,500	.03	.03	.03	.03
5	2.88	2.00	Nipissing	4,802	2.33	2.40	2.28	2.35
No	45.05	29.75	Noranda	9,062	32.75	34.25	32.25	34.25
No	.54	.22	Nor. Canada	1,300	.28	.28	.28	.28
1	.27	.06	Osisko	......	.07	.....	.....	.....
1	.72	.17½	Parkhill	39,525	.20	.21	.17½	.20½
1	.06	.01	Pawnee Kirk.	1,000	.01	.01½	.01½	.01½
1	.31½	.16½	Paymaster	23,896	.21	.22	.20	.20½
1	1.40	.40	Pend. Oreille	700	.42	.49	.44	.49
1	.06½	.01½	Peterson Cobalt	6,500	.02	.02½	.02	.02
1	1.95	1.26	Pickle Crow	60,010	1.59	1.87	1.55	1.82
1	14.15	10.30	Pioneer Gold B.C.	12,970	11.50	11.65	10.95	11.00
1	.08½	.01½	Porcupine Crown	28,500	.03½	.03½	.03½	.03½
1	.03	.00½	Potter Doal	4,000	.00½	.00½	.00½	.00½
1	1.75	1.02	Premier Gold	7,750	1.39	1.40	1.34	1.39
1	.06½	.01½	Preston E. Dome	4,500	.01½	.01½	.01½	.01½
No	1.05	.30	Prospectors Air's.	3,550	.90	.95	.85	.95
1	.70	.10	Quebec Gold	14,800	.10	.10½	.10	.10
No	.15	.02	Quemont	......	.02½	.....	.....	.....
1	1.73	.27	Read Authier	16,850	.72	.95	.70	.82
1	1.29	.75	Reno Gold	12,250	1.10	1.13	1.09	1.10
1	.02½	.00½	Ribago	1,000	.00½	.00½	.00½	.00½
1	.05½	.01	Ritchie	2,500	.01½	.01½	.01½	.01½
1	.11½	.01½	Robb Montbray	6,700	.03	.03½	.03	.03½
1	.18½	.07	Roche Long Lac	97,600	.08½	.11	.08	.10
1	6.30	1.75	San Antonio	23,437	4.26	4.90	4.21	4.69
50c	.42	.40	Sheep Creek	......	.40	.....	.....	.....
1	1.43	.40	Sherritt Gordon	9,253	.47	.48	.45	.45
1	2.88	1.43	Siscoe	35,145	2.57	2.65	2.51	2.51
1	4.00	2.95	South Amer. Gold	500	3.05	3.60	3.40	3.60
1	.07½	.02½	South Keora	8,500	.02½	.02½	.02½	.02½
No	.26½	.02	South Tiblemont	52,500	.02½	.02½	.02	.02½
No	.46	.08½	Stadacona	45,470	.18½	.18½	.15½	.15½
1	.65	.23	St. Anthony	32,800	.28	.32	.27½	.31
No	2.00	1.00	Sudbury Basin	3,950	1.20	1.25	1.17	1.20
1	.16½	.05	Sudbury Contact	5,000	.07	.07½	.06	.06½
1	.11½	.00½	Sudbury Mines	361,500	.07½	.07½	.03	.05
1	.63	.35	Sullivan Cons.	18,844	.43	.46½	.43½	.44
1	3.20	1.29	Sylvanite	17,100	2.33	2.40	2.31	2.31
1	8.05	3.73	Teck Hughes	16,120	3.95	3.99	3.85	3.95
1	.02	.01	Timiskaming	......	.01½	.....	.....	.....
1	.76	.15½	Towagmac	3,500	.25	.23	.21	.23
1	.85	.16	Treadwell	500	.25	.16	.16	.16
No	.02½	.00½	Vacuum Gas	7,100	.00½	.00½	.00½	.00½
No	1.12	.77	Ventures	21,190	.89	.92	.88	.92
1	.03½	.01	Vickers	24,500	.01	.01½	.01½	.01½
No	1.53	.36	Waite Amulet	359	.50	.50	.42	.45
50c	.50	.06	Wayside Cons.	21,000	.09½	.09½	.09	.09½
No	.43	.07½	White Eagle	17,000	.10	.10½	.08	.09
1	.07½	.01½	White Lake	3,000	.02	.01½	.01½	.01½
1	.18	.04	Wiltsey Coughlan	33,000	.06½	.07½	.05	.07½
1	.20	.05	Wood Kirkland	2,000	.05½	.07	.05½	.07
No	10.25	6.75	Wright-Hargreaves	13,485	8.20	8.85	8.20	8.70
			OIL STOCKS					
No	.33	.16	Acme Gas & Oil	8,500	.17	.19	.17	.17½
1	.20	.09	Admiral	......	.20	.....	.....	.....
1	1.60	.70	Ajax	6,620	.85	.90	.87	.88
1	.25	.07	Alta. Pacific	50	.07	.07	.07	.07
No	.35	.09½	Associated	3,100	.12	.10	.09½	.09½
No	.13	.03	Baltac	......	.03	.....	.....	.....
No	1.60	.55	Calgary & Ed.	......	.68	.....	.....	.....
1	.15	.04	Calmont	......	.05	.....	.....	.....
No	.12	.03½	Common Pete	100	.04	.04	.04	.04
No	.65	.18	Dalhousie	1,500	.30	.28	.23	.23
No	.30	.07	East Crest	4,700	.07	.07	.07	.07
No	.58	.07	Erie Gas	500	.12	.11	.11	.11
No	.75	.15	Foothills	......	.15	.....	.....	.....
No	.25	.14	High Sarcee	500	.15	.14	.14	.14
No	1.90	.45	Home	3,200	.56	.56	.55	.56
1	.25	.08	Homestead O. & G.	3,300	.08	.08	.08	.08
No	.44	.08	Lowery	500	.10	.10	.10	.10
No	.42	.18½	Merland	17,050	.20	.21	.20	.20
1	.48	.09	Midwal	33,200	.28	.29	.20	.24
1	.33	.17	Model	1,800	.20	.20	.20	.20
5	.17½	.03½	Nordon	2,000	.05	.05	.04½	.04½
No	.09	.02½	Oil Selections	8,500	.02½	.02½	.02½	.02½
No	.34	.03½	Olga Gas & Oil	13,600	.03½	.04½	.04	.04
1	1.10	.50	Petrol Oil & Gas	200	.50	.50	.50	.50
No	19.55	12.75	Royalite	1,844	17.00	17.00	16.75	17.00
1	.13	.03	Sarnia Oil	500	.04	.04½	.04½	.04½
No	.17	.07	South West Pete.	......	.15	.....	.....	.....
No	.90	.60	Texas Can.	2,100	.70	.80	.75	.80

VANCOUVER STOCK EXCHANGE

(Transaction for Week to December 15)

Par Val.	Range 1934 High	Low	Company	Sales	Close Dec. 8 (or last)	High for week	Low for week	Close Dec. 15
1	.09½	.01½	Alexandria	1,500	.01½	.01½	.01½	.01½
No	.20	.12	Atlin Pacific	4,800	.14	.13	.13	.13
25c	.03½	.01	Bayview	......	.01½	.....	.....	.....
20c	.09½	.03	Beaver Silver	11,700	.07	.07	.06½	.07
25c	.03½	.01	Bluebird	......	.01	.....	.....	.....
1	3.70	1.65	Bradian Gold	1,250	2.30	2.25	2.06	2.15
No	16.95	9.85	Bralorne	505	12.75	12.50	12.40	12.40
1	.48	.06	Bridge River Cons	4,650	.08	.07½	.07	.07½
50c	1.40	.18	Bridge River Exp.	24,100	.22½	.23	.20	.20
50c	.27	.15	B. R. Mountain Gold	......	.15	.....	.....	.....
1	1.76	.28	B.C. Nickel	17,375	.40	.41	.39½	.41
50c	.24	.05	Canadian Rand	14,600	.06½	.07½	.06	.07
1	2.90	1.00	Cariboo Gold	2,540	1.49	1.45	1.32	1.36
No	13.00	8.75	Coast Breweries	485	13.00	13.00	12.25	12.25
1	.51	.18	Congress Gold	900	.25	.25	.24	.25
No	2.07	.25	Dentonia	16,120	.40	.42½	.39	.41
No	.07½	.01	Dictator	15,500	.03	.03½	.03	.03½
1	.45	.14	Dunwell	3,900	.15	.15	.14	.14
No	.44½	.12	Fairview Amal.	11,100	.17½	.17½	.15	.16
1	.63	.25	Golconda	1,300	.29	.32	.25	.28
50c	.63½	.25	Gold Belt	3,300	.29	.33	.29	.33
50c	.51	.08	Gold Mountain	1,000	.10	.08	.08	.08
No	.38	.16	Grange Mines	9,850	.22	.23	.21	.21
1	.50	.04	Grull Wihksne	2,450	.05½	.05	.05	.05
50c	.34	.15	Hedley Amal.	14,900	.26½	.27	.26½	.26½
No	.29	.05	Hedley Sterling	800	.05	.05	.05	.05
1	.09½	.01½	Hercules Cons.	52,000	.01½	.01½	.01½	.01½
No	.28	.07	Home Gold	67,300	.12	.12	.10½	.10½
1	.04	.01½	Independence	11,000	.01½	.01½	.01½	.01½
1	.04	.01½	Indian Mines	......	.01½	.....	.....	.....
1	.21	.10	Inter'l Coal	......	.16	.....	.....	.....
1	.42	.20	Jack Waite	......	.25	.....	.....	.....
50c	.65	.19	Kootenay Belle	4,500	.58	.58	.57	.58
25c	.02	.00½	Kootenay King	......	.00½	.....	.....	.....
1	.01½	.00½	Lakeview	......	.01½	.....	.....	.....
10c	.06	.02	Lucky Jim	......	.02	.....	.....	.....
No	.40	.11	Mak Siccar	......	.19½	.....	.....	.....
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
1	.14	.09½	McGillivray Creek	......	.13	.....	.....	.....
10c	.33	.08	Meridian Min.	41,400	.11½	.13	.11	.12½
5c	.04	.03½	Metaline Metals	......	.03½	.....	.....	.....
No	.85	.13	Minto Mines	21,250	.15	.17	.15½	.16
1*	.27	.26	Mont'y Ackerman	......	.27	.....	.....	.....
50c	.46½	.08½	Morning Star	5,850	.10½	.10	.09½	.10
1	.05½	.00½	Morton Woolsey	......	.01½	.....	.....	.....
50c	.09	.03	National Silver	19,000	.04½	.04½	.04	.04½
50c	1.38	.09	Nicola	1,000	.10	.09	.09	.09
50c	.17	.06½	Noble Five	12,200	.06½	.07	.06½	.06½
1	.54	.12½	Pavilion	......	.35	.....	.....	.....
No	.10½	.03½	Pilot Gold	17,500	.04½	.05	.04½	.05
1	14.25	10.50	Pioneer Gold	300	11.60	11.50	11.25	11.50
50c	.18	.06½	Porter Idaho	2,500	.08½	.08½	.08½	.08½
No	.02½	.00½	Premier Border	5,000	.00½	.00½	.00½	.00½
1	.06	.02½	Quatsino Copper	......	.02½	.....	.....	.....
50c	.19	.06	Red Hawk	......	.06	.....	.....	.....
No	.27	.09	Reeves McDonald	2,900	.10	.11	.10	.11
1	1.25	.75	Reno Gold	7,850	1.08	1.12	1.08	1.10
1	.15	.03	Reward Mining	750	.04	.04	.03½	.04
1	.03½	.01	Rufus Argenta	......	.01	.....	.....	.....
1	.05	.02	Ruth Hope	1,500	.02	.02½	.02½	.02½
1	.59	.25	Sally Mines	27,500	.46	.59	.48	.56
50c	.35	.07½	Salmon Gold	5,200	.08½	.08	.07½	.08
1	.09	.04	Silverado	......	.04	.....	.....	.....
25c	.04½	.01½	Silvercrest	17,000	.01½	.01½	.01½	.01½
20c	.17	.04	Silversmith	......	.06	.....	.....	.....
50c	.03½	.00½	Snowflake	1,000	.00½	.00½	.00½	.00½
25c	.04	.02	Sonora	......	.04	.....	.....	.....
1	.40	.07	Standard Gold	......	.07	.....	.....	.....
10	12.00	4.75	Sunshine	75	12.00	11.75	11.75	11.75
1	.28	.15	Sunloch	......	.15	.....	.....	.....
No	1.20	.23	Taylor Bridge	22,600	.34	.33	.29	.29
1	.65	.10	Taylor Windfall	300	.14	.14	.13	.14
5	.25	.20	Toric	......	.20	.....	.....	.....
1	.10	.10	Utica Mines	......	.10	.....	.....	.....
50c	.35	.04½	United Empire	4,700	.09	.08½	.07½	.08
No	3.50	.35	Vidette Gold	62,675	.52	.64	.50	.63
No	.21½	.02	Viking Gold	2,000	.02	.03½	.02	.02
No	.27½	.02	Waterloo Gold	2,000	.03	.03	.03	.03
25c	.03	.01	Waverly Tangier	18,000	.01½	.01½	.01	.01
50c	.47	.06½	Wayside	30,900	.09½	.09½	.09	.09½
20c	.03½	.01½	Wellington	1,000	.01½	.01½	.01½	.01½
No	.44	.10	White Eagle	......	.10	.....	.....	.....
1	.10½	.04	Whitewater	2,200	.04½	.04½	.04½	.04½
•	.62	.57	Ymir Yankee Girl	12,900	......	.62	.57	.57
			OIL STOCKS					
1	.15½	.06	Amalgamated	1,500	.07½	.07½	.07	.07½
1	.08	.03	Anaconda	500	.04	.04	.04	.04
1	.10	.07	Brit. Dominion	......	.09	.....	.....	.....
1	.11½	.03	Crow's Nest	8,200	.07	.06½	.05½	.05½
No	.09½	.01½	Devenish	......	......	.....	.....	.....
No	.15½	.05	Freehold	500	.06½	.07	.06	.07
No	.13	.03	Hargal	200	.04	.03	.03	.03
No	.35	.12½	High Sarcee	14,000	.15	.14½	.13½	.13½
No	.05	.00½	Madison	4,000	.00½	.00½	.00½	.00½
No	.35	.05	Marjon Oil	21,400	.16	.17	.15½	.15½
No	.05½	.02	McD. Segur Ex.	......	.02½	.....	.....	.....
1	.47	.25	McLeod	......	.42	.....	.....	.....
No	.22	.10	Mercury	3,500	.12½	.12	.12	.12
No	.22	.09	Mill City Pete	200	.09	.09	.09	.09
No	.18	.04½	Okalta	2,000	.05½	.05½	.05½	.05½
100	30.00	18.00	Do., pref.	......	30.00	.....	.....	.....
No	.17	.04½	Pacalta Oil	13,500	.07½	.08	.06½	.08
1	.86½	.14	Ranchmen's	10,400	.82	.86½	.65	.82
No	.04	.02½	Richfield	......	.02½	.....	.....	.....
1	.42	.20	Spooner	200	.31	.26	.26	.26
No	.11½	.03½	United	5,100	.06	.05½	.04½	.06
No	.50	.06	Vanalta	5,400	.07	.08½	.08	.08
1	.20	.10	Vulcan	2,000	.14	.13	.13	.13
1	.35	.07½	Wellington Oil	......	.08	.....	.....	.....

Dividends Declared

Company	Present Annual rate	Amt. this pay'mt	Date payable	Date of record
Agnew Surpass, pref.	7%	1¾%	Jan. 2	Dec. 15
Associated Breweries	...	25c	Dec. 31	Dec. 15
Do., pref.	$7	$1.75	Jan. 1	Dec. 15
American Cyanamid, A & B	...	10c	Jan. 2	Dec. 15
Biltmore Hats, c.	...	$1	Jan. 15	Dec. 31
Brantford Cordage, 1st pfd.	$2	50c	Jan. 15	Dec. 20
Burt, F. N.	$2	50c	Jan. 2	Dec. 17
Do., pref.	$7	$1.75	Jan. 2	Dec. 17
Brit. Amer. Oil (No. 19)	80c	20c	Jan. 2	Dec. 15
Building Products, A & B	$1	25c	Jan. 2	Dec. 17
Do., extra	...	25c	Jan. 2	Dec. 17
Bell Telephone	$8	$1.50	Jan. 15	Dec. 22
Brazilian Traction, pfd.	$6	$1.50	Jan. 2	Dec. 15
B. C. Power (A)	$1.50	37c	Jan. 15	Dec. 31
Bruck Silk Mills	$1	25c	Jan. 15	Dec. 15
Do., extra		5c	Jan. 15	Dec. 15
Bank of Nova Scotia	$12	$3	Jan. 2	Dec. 15
Bulolo Gold Dredging	...	*90c	Dec. 29	Dec. 3
Bralorne Mines	60c	15c	Jan. 15	Dec. 31
Canadian Oil, pfd.	$8	$2	Jan. 1	Dec. 20
Canadian Canners, 1st pref.	6%	1½%	Jan. 2	Dec. 15
Do., 2nd pref.	50c	12½c	Jan. 2	Dec. 15
Do., bonus	...	2½c	Jan. 2	Dec. 15
Can. Cottons	$4	$1	Jan. 2	Dec. 14
Do., pref.	$6	$1.50	Jan. 2	Dec. 14
Consolidated Bakeries	...	20c	Jan. 2	Dec. 15
Can. Foreign Inv., pref.	$8	$2	Jan. 1	Dec. 15
Can. Celanese, pref.	$7	$1.75	Dec. 31	Dec. 14
Can. Permanent Mtge.	$8	$2	Jan. 2	Dec. 15
Can. Foreign Invest., com.	$1	25c	Jan. 1	Dec. 15
Do., extra	...	25c	Jan. 1	Dec. 15
Can. Northern Power	$1	25c	Jan. 15	Dec. 31
Do., extra	...	6¼c	Dec. 31	Dec. 15
Gachin Gold Synd., units	60c	15c	Dec. 31	Dec. 15
Do., extra	...	10c	Dec. 31	Dec. 15
Goderich Elevator	50c	25c	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 15	Dec. 31
Can. Gen. Electric	$3	75c	Jan. 1	Dec. 15
Do., pref.	$3.50	87½c	Jan. 1	Dec. 15
Can. Wirebound Box A	$1	†25c	Jan. 2	Dec. 15
Consumers' Gas	$10	$2.50	Jan. 2	Dec. 15
Calgary Power, com.	$6	$1.50	Jan. 2	Dec. 15
Central Can. Loan	$8	$2	Jan. 2	Dec. 17
Coniagas Mines	...	‡12½c	Jan. 10	Dec. 31
Canada Trust	$10	$5	Jan. 2	Dec. 15
Can. Fairbanks, pref.	$6	$1.50	Jan. 15	Dec. 31
Cons. Mining & Smelting	...	$1	Dec. 31	Dec. 15
Do., bonus	...	$1	Dec. 31	Dec. 15
Can. Indust., A & B	$4	$1	Jan. 31	Dec. 31
Do., pref.	$7	$1.75	Jan. 15	Dec. 31
Crown Trust	$7	$1.75	Jan. 2	Dec. 31
Can. Wineries	...	10c	Jan. 15	Jan. 2
Dominion Fire Insurance	6%	3%	Jan. 2	Dec. 31
Do., bonus		2%	Jan. 2	Dec. 31
Dome Mines	$2	50c	Jan. 21	Dec. 31
Dominion Glass	$5	$1.25	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Dominion Stores	$1.20	30c	Jan. 2	Dec. 15
Dominion Bank	$10	$2.50	Jan. 2	Dec. 20
Dominion Textile	$5	$1.25	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 15	Dec. 31
Eastern Steel Prod. pfd.	$7	$1.75	Jan. 2	Dec. 15
Empire Natural Gas	—	1½c	Jan. 2	Dec. 20
Freiman, A. J., pref.	6%	1½%	Jan. 2	Dec. 15
Fanny Farmer Candy (new)	...	•6¼c	Dec. 31	Dec. 15
Great West Life	$20	$5	Jan. 2	Dec. 20
Goodyear Tire	$5	$1.25	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Greening Wire, pref.	7%	1¾%	Jan. 1	Dec. 15
Hamilton Un. Theat., pref.	$7	$1.75	Dec. 31	Dec. 15
Hollinger Gold	65c	5c	Dec. 31	Dec. 13
Do., extra		5c	Dec. 31	Dec. 13
Huron & Erie Mtge.	$6	$1.50	Jan. 2	Dec. 15
Hinde & Dauch Paper	...	12½c	Dec. 24	Dec. 14
Howe Sound	$3	75c	Dec. 31	Dec. 21
Hunts, A & B	50c	12½c	Jan. 2	Dec. 17
Intercolonial Coal	$4	$2	Jan. 2	Dec. 21
Do., bonus	...	$2	Jan. 2	Dec. 21
Do., pref.	$8	$4	Jan. 2	Dec. 21
Investment Foundation, pref.	$1.50	38c	Jan. 15	Dec. 31
Do., on arrears	...	12c	Jan. 15	Dec. 31
Imperial Tobacco, c	35c	8¾c	Dec. 31	Dec. 15
International Nickel, pfd.	7%	1¾%	Feb. 1	Jan. 2
International Nickel, c.	...	15c	Dec. 31	Dec. 1
Jamaica Pub. Service	$1	25c	Jan. 2	Dec. 21
Do., pref.	$7	$1.75	Jan. 2	Dec. 21
Do., pref.	7%	1¾%	Jan. 2	Dec. 21
Landed Banking & Loans	4%	1%	Jan. 2	Dec. 15
Marcus Loew's Theat., pref.	$7	$1.75	Dec. 31	Dec. 20
Mitchell, J. S., pref.	$7	$1.75	Jan. 2	Dec. 15
Monarch Knitting, pref.	...	†$1	Jan. 2	Dec. 15
McColl-Frontenac, c.	80c	20c	Dec. 15	Nov. 15
Moore Corporation, A pfd.	$7	$1.75	Jan. 2	Dec. 15
Do., B pfd.	$7	$1.75	Jan. 2	Dec. 15
National Biscuit, com.	$2	50c	Jan. 15	Dec. 14
Montreal Light, H. & Power	$1.50	38c	Jan. 31	Dec. 31
National Grocers, pref.	7%	1¾%	Jan. 2	Dec. 20
Niagara Wire Weav., com. spcl.	...	$1	Dec. 31	Dec. 24
Niagara Wire Weav., pref.	$3	75c	Dec. 31	Dec. 24
Do., pref.	$3	75c	Dec. 31	Dec. 24
Northern Canada Mining	...	‡2c	Jan. 2	Dec. 15
National Breweries	$1.60	40c	Jan. 2	Dec. 15
Do., pref.	$1.75	43c	Jan. 2	Dec. 15
Northern Ont. Power	$2	50c	Jan. 25	Dec. 31
Do., pref.	$6	$1.50	Jan. 25	Dec. 31
National Trust	$8	$2	Jan. 2	Dec. 21
Ogilvie Flour, c.	$8	$2	Jan. 2	Dec. 21
Ontario Loan & Deb.	$6	$1.50	Jan. 2	Dec. 15
Ottawa L. H. & Pr.	6%	1½%	Jan. 2	Dec. 15
Do., pref.	6½%	1⅝%	Jan. 2	Dec. 15
Ottawa Traction	...	50c	Jan. 2	Dec. 15
Provincial Paper, pfd.	7%	1¾%	Jan. 2	Dec. 15
Page-Hersey Tubes	$3	75c	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
Pioneer Gold (B.C.)	80c	20c	Jan. 2	Dec. 1
Premier Gold Mines	12c	•3c	Jan. 15	Dec. 14
Porto Rico Power, pref.	$7	$1.75	Jan. 2	Dec. 15
Real Estate Loan (96)	2%	1%	Jan. 2	Dec. 17
Riverside Silk Mills	$1	25c	Jan. 2	Dec. 15
Do., on arrears	...	25c	Jan. 2	Dec. 15
Reno Gold	...	•3c	Jan. 3	Nov. 30
Supersilk Hosiery, pref.	7%	1¾%	Jan. 2	Dec. 21
Standard Fuel, pfd.	6½%	1⅝%	Jan. 1	Dec. 15
Southern Can. Power, pfd.	$6	$1.50	Jan. 15	Dec. 20
Siscoe Gold Mines	12c	3c	Dec. 31	Dec. 15
Do., bonus		2c	Dec. 31	Dec. 15
Sylvanite Gold	20c	5c	Dec. 31	Nov. 30
South Amer. Gold & Plat.	..	10c	Dec. 31	Dec. 21
San Antonio Gold	...	7c	Feb. 1	Jan. 2
Securities Holding, pref.	...	‡25c	Jan. 2	Dec. 20
Sherwin-Williams, pref.	...	†$1.75	Jan. 2	Dec. 15
Supertest Petroleum, com. & ord.	$1	25c	Jan. 2	Dec. 14
Do., A pref.	7%	1¾%	Jan. 2	Dec. 14
Do., B pref.	6%	1½%	Jan. 2	Dec. 14
Thrift Stores, 1st pref.	$1.62½	40⅝c	Jan. 1	Dec. 15
Do., 2nd pref.	70c	17½c	Jan. 1	Dec. 15
Teck-Hughes	40c	10c	Jan. 2	Dec. 10
Thayers, pref.	$3.50	$1.75	Jan. 2	Dec. 15
Toronto Mortgage	$6	$1.50	Jan. 2	Dec. 15
Toronto General Trusts	6%	1½%	Jan. 2	Dec. 15
Tamblyn, pref.	$7	$1.75	Jan. 2	Dec. 22
Tip Top Tailors, pfd.	7%	1¾%	Jan. 1	Dec. 17
Do., on arrears	...	1¾%	Jan. 1	Dec. 17
Tuckett Tobacco, pref.	7%	1¾%	Jan. 15	Dec. 31
United Gold Equities	10c	2½c	Jan. 15	Jan. 5
West Kootenay Power, pref.	7%	1¾%	Dec. 31	Dec. 17
Western Grocers, pref.	7%	1¾%	Jan. 15	Dec. 20
Do., com.	...	50c	Jan. 15	Dec. 20
Whittall Can., pref.	6½%	1⅝%	Jan. 2	Dec. 15
Wright-Hargreaves	40c	10c	Jan. 2	Dec. 10
Do., extra	...	5c	Jan. 2	Dec. 10
Weston, Geo., com.	$1	25c	Jan. 2	Dec. 20

* For the year ending May 31, 1935. •Initial. ‡ Interim. †On arrears. § For quarter ending Mar. 31, 1933.

Dividends Resumed—

Sherwin-Williams, pref., $1.75 on arrears, Jan. 2; last paid $1.75, Dec. 31, 1932.

Hinde & Dauch Paper, Dec. 24, 12½c. Last paid 25c., Jan. 2, 1930.

Dividends Reduced—

Real Estate Loan from $3 to $2 per annum, Jan. 2.

Dividends Passed—

Gurd, Chas., pref. passed Jan. 2. Last paid $1.75 Oct. 2, 1934.

Draper Dobie & Co.

Members
The Toronto
Stock Exchange

MINING AND
INDUSTRIAL STOCKS

330 BAY ST., TORONTO
Hamilton, St. Catharines,
Brantford.

NORTHERN CANADA MINING CORPORATION, LIMITED

Invests in Canadian Mines and
Mining Properties
J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA.

J. E. Grasett & Co.

MEMBERS
TORONTO STOCK
EXCHANGE

302 Bay St.
TORONTO
WAverley 4781
Branch Office:
Dundas & Keele Sts.
Ju. 1167

Belting of every description. Pulleys, Wood and Steel Hangers, Shafting, Bearings, Motors, Lathes, Woodworking Machinery, Rubber Hose, and Mill Supplies. Send for Price List.

N. SMITH BELTING WORKS
138 York St., Toronto

FAIRBANKS
AUTOMATIC
OIL BURNER
MADE ENTIRELY IN CANADA
THE CANADIAN FAIRBANKS-MORSE COMPANY LIMITED
Montreal, Toronto and Branches

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

Investors' Chronicle
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain

OVERSEAS FINANCE
Special Correspondents in all Financial Centres

A free specimen copy will be forwarded on post-card application to:—
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C. 2, ENG.

Kootenay Belle Handles 33 Tons of Ore Per Day

F. M. Black, managing director of Kootenay Belle Gold Mines in the Sheep Creek area of British Columbia, reports that the Hardinge-Hadsel Mill, in twelve working days of two shifts of eight hours each, between November 22 and December 5 handled 402 tons of ore, an average of thirty-three tons per day. Mr. Black informs The Financial Post that Paul Elliott of Consolidated Mining and Smelting Company is in charge of flotation tests, determining the best type of reagents. Pending these final adjustments, the mill feed has been intentionally kept low in value, Mr. Black states. He indicated results, however, of the products for the time of operation approximately 110 ounces of gold which the company officials consider satisfactory.

SEE NICKEL SALES SHOWING UPTURN IN LAST QUARTER

Inco's New Converters to be Ready by Year's End

From Our Own Correspondent

SUDBURY—International Nickel's battery of four new converters, housed in the smelter addition at Copper Cliff, will be ready for service at the end of the year, as originally planned. The contractors, Fraser-Brace Ltd., of Montreal, will pull out at Christmas time, and a few remaining details on one of the converters will be completed by Inco. While a unit in the original equipment of eight converters was down for repairs recently, one of the new ones was requisitioned.

Completion of the new equipment does not mean, of course, that production is to witness any increase as an immediate result. Any boost in output will depend entirely upon the market next year for nickel and copper. It is probable, for a time that the new converters will be used as relief for the existing units. The plant additions, however, it will be readily seen, place Inco in a strategic position to expeditiously meet increased demand for base metals as it arises.

Repair Nairn Falls Dam

Repairs were made this fall by Fraser-Brace to the dam at Nairn Falls, where the process of erosion had weakened the concrete. Approximately two months were spent in the work, which cost in the neighborhood of $20,000.

With the increase in steel operations in the United States, it is believed nickel sales have slightly improved over the last part of the third quarter, when a falling off was noted. No change for the better has yet shown itself in price or demand for copper. The Ontario Refining Co., subsidiary of Inco, however, continues its monthly output at slightly better than 7,500 tons as compared with 5,500 tons last year.

Wekach Lake Discusses Offers for Properties

From Our Own Correspondent

WINNIPEG.—Wekach Lake Gold Mines directors met in Winnipeg this week to discuss certain offers understood to have been made for the property. Wekach Lake Gold Mines is in an interesting territory closely neighboring Henning-Maloney and the Beader property of Manitoba Flin Flon Gold both of which are well financed and have made big headway in proving up their respective properties. It is understood the Wekach people favor a further programme of work before making any deal.

Still Drift in Ore at God's Lake Gold

A report from H. R. Drummond-Hay, vice-president of God's Lake Gold Mine, states that at the time of writing both east and west drifts on the first level were in ore and the west drift on the second level was in ore until a few days before writing. It is reported that the raise on the first level is also in ore.

During the week the ore shoot known as 2-3 gave assays showing a value of .55 ounces over three ft., three inches, for a total length of 58.8 ft. Mr. Drummond-Hay reported that work is progressing favorably at the power site and that a crew is also at work putting the freighting road in order.

Debate Shaft Sinking at Ranger Gold Mines

From Our Own Correspondent

WINNIPEG—Ranger Gold Mines' directors met in Winnipeg this week to discuss further development plans. For several months a crew of men under the direction of Dr. W. C. L. Greer have been engaged in trenching, stripping and following known ore shoots.

The report of Dr. Greer it is understood was left in abeyance pending consultation with Percy Hopkins, Toronto, the company's consulting geologist. It would appear probable that Ranger Gold Mines will commence shaft sinking though it is understood some of the directors favor some further exploration by means of the diamond drill.

J. S. Mitchell & Company
Limited

Geo. W. Murphy — *Vice-Pres. and General Manager,*

Wholesale and Retail

Shelf and Heavy Hardware, Asbestos and Galvanized Roofing, Plumbing Supplies

Specializing in Mining, Mill and Contractors Supplies

Steam Coal, Hard Coal and Coke, Electric Supplies, Sporting Goods

78-80 Wellington St. North SHERBROOKE, QUE.

Your Questions Answered Without Charge

As a subscriber to The Financial Post you are entitled to information regarding any Canadian investment that you are interested in.
If not already a subscriber, address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
481 University Ave.,
Toronto 2, Canada.

Please send me The Financial Post for the next year (52 issues). I enclose $5.00.

Name ....

Occupation ....

Address 365

Investment in Mining Increases 18 Per Cent

Number of Persons Employed in 1933 Increases While Total Wage Bill Declines — Net Sales 12.8 Per Cent Higher

Capital employed in the mining industry in Canada amounted to $810,355,705 in 1933, an increase of $125,144,332 or 18.27 per cent over the previous year, according to general statistics relating to the mining industry which have just been issued by the Dominion Bureau of Statistics. Data relating to 1933 operations in the industry were collected for 10,873 mines, quarries, smelters, metal refineries, clay product plants, cement mills, etc. Information pertaining to 1932 operations was collected from 8,380 operations.

Although the number of persons employed in the industry is greater than in the previous year the total amount paid in salaries and wages declined. The entire mining industry afforded employment in 1933 to 63,334 persons who received in salaries and wages a total of $70,031,805. In 1932, 61,470 persons were employed who received salaries and wages totalling $71,772,049. It should be noted that the increase in employment is partly due to the spreading of labor by some sections of the mining industry in the alleviation of unemployment.

Net sales of mineral products amounted to $221,754,818; this value, an increase of 12.8 per cent over 1932, represents the proceeds from sales and includes the value added by smelting operations.

Metal mining, the major branch of the industry, reported 402 individual operations, a capital investment of $406,998,952, 25,443 employees, $37,937,871 in salaries and wages and $150,145,926 as income from sales. The greatest progress was reported in the gold mining section. Lode gold mining as compared with 1932 showed an increase of 116 per cent in the number of active operators, 22.8 per cent in the number of employees, 16.1 per cent in salaries and wages and 17.9 per cent in the net value of products shipped. The nickel-copper mining, smelting and refining industry recorded an improvement of 32.1 per cent in the number of employees, 41.8 per cent in salaries and wages paid and 92.4 per cent in the value of shipments.

Non-Metals Unchanged

The non-metal mining industry, other than the producers of clay products and structural materials showed, as a group, relatively little change from 1932. Among these industries, however, a distinct improvement was registered for asbestos and feldspar and quartz mining. There was very little change in employment or value of shipments in industries constituting the fuel group.

Detailed statistics by provinces are given below:

Provinces:	Operations	Capital employed $	No. of employees	Salaries & wages $	Income from sales $
Nova Scotia	595	59,727,371	13,915	9,852,765	15,744,102
New Brunswick	399	5,185,718	1,629	1,402,114	2,088,331
Quebec	3,064	137,663,451	8,629	8,621,984	33,888,539
Ontario	5,210	310,789,173	17,306	25,600,168	109,060,404
Manitoba	120	30,130,497	1,379	1,847,251	8,433,130
Saskatchewan	134	12,368,385	1,265	1,111,001	2,614,337
Alberta	575	112,666,472	9,057	9,463,382	18,945,255
British Columbia	765	129,665,431	9,845	11,455,946	29,464,365
Yukon and North West Terr.	11	12,159,207	309	677,194	1,516,355
Canada	10,873	810,355,705	63,334	70,031,805	221,754,818

The Story of a Mine. 7

The Human Element

Change in Personnel May Completely Alter Outlook for a Mine

The human element has front rank importance in both the milling and mining of ores. Waste rock to one engineer may turn out to be ore under the guiding genius of another, and the tailings and troubles of one metallurgist may provide the golden opportunity in the career of his successor

Here is an immeasurable factor that makes any dogma on mining almost an impossibility, and increases the speculative element in the valuation of a property at every stage in its development. For genius is sporadic, not only because it is found in a few, but because it is evidenced so irregularly in their careers.

But the decisions of men are not the only reasons why almost every mine has a history peculiar to itself. Finances, capitals, equipments, rocks, power and transportation present such an infinite variety of possible arrangements that it is almost inconceivable that the conditions affecting the growth of any two mines could be alike. Since the course of action resulting from the interpretation of these factors differs with each engineer, the story of a mine must become the story of an industry.

When to Start?

The difficulty of saying when a mine is justified in undertaking any step in mining or milling and the difficulty of judging the method it adopts are apparent.

A mine developing fairly with ore on a shoestring, may install a mill with a very small capacity and plan its limited programme of mineral extraction to pay for itself. Activities on a property of this nature would likely be directed to following up the known ore bodies. Open-cuts, incline shafts and more drifts than exploratory crosscuts could be expected. Surface exploration and diamond drilling should reasonably play a small part in the general programme.

Its choice of power will be influenced by its location. If it is growing up in a well developed area, it may be able to tap the main power supply at a reasonable cost. The presence of convenient supplies of wood fuel will favor the adoption of steam, or, if transportation costs from the railroad are cheap, and if one of its directors is connected with an oil or oil-machinery concern, it will obviously be inclined to use a Diesel engine.

Factors Varied

The possibilities for milling are equally varied. The availability of cheap power will, of course, encourage a more greatly developed plant. The size of the company's working capital will undoubtedly leave its influence on the mine's history. The possibilities of sorting the mineral in such a way that milling operations may be economized will differ, from ores with a finely-disseminated metal content, to those welcome lodes offering their reward in, for example, well-defined stringers running throughout the intrusion. Good timber stands on the property offer their strength as well as their energy and the existence of neighboring mills with surplus leaching or refining capacity may decide a more primitive milling operation on our own property.

But none of these factors can be considered to be permanent. The hiring of a new engineer or purchase of a controlling interest by an experienced and able man may result in such a vigorous attack on key problems that the prospects of our mine are completely changed. On the other hand, if it is acquired by persons more interested in their underwriting commissions or the market price of vendors' shares it cannot be expected to offer as rosy a future.

Dogmatics Difficult

The picture will be considerably changed when we turn from our small scale mine to the extreme of a promising property under the development of able, honest and wealthy hands. We may reasonably expect a generous plan of all types of development and exploration work before any plans for a mill are considered.

A section of ore will be thoroughly traced out on surface; diamond drills may be used extensively to obtain complete information on which to base the most economical location of the shaft, and a series of shafts may be sunk along one or more breaks before undertaking the main underground programme. Exploratory crosscuts will play a considerable part, and drifting and crosscutting will block out large tonnages in order that the metallurgist may design the most efficient type and size of mill.

But even here it is difficult to be dogmatic. Where one mine may decide to install a large scale milling unit in one piece, another mine may possess a fairly large mill which has gradually grown from the time when its earliest small testing unit was considered sufficient. And larger mines will probably use even a large and complete mill to test new ores as well as to extract the metal from the old.

Parkhill Closes Mill for Foundation Repairs

From Our Own Correspondent

MONTREAL—Parkhill Gold Mines reports gross recovery of gold in November of $29,350 bringing the total for the past three months to $101,547. Tons milled in the three-month period totalled 5,326 with an average recovery value of $19.07. The average daily tonnage handled in the mill was 58.5.

The company further reports: "The ball mill foundation has been causing some trouble, and during November the mill was closed down for four days in order to effect temporary repairs. These repairs were not satisfactory and in order to overcome the trouble permanently, it was found necessary to practically refill the concrete foundation of the Ball Mill which necessitated closing down of the mill on Dec. 5. It was anticipated that the mill would be re-started and in operation again on or about December 17. The temporary closing down of the mill has not hindered in any way the progress of development work or mining and underground work."

To Resume Drilling at South Tiblemont

F. G. Simpson, president of South Tiblemont Mines, informs The Financial Post that plans have now been completed to continue diamond drilling from underground on the company's claim in Tiblemont Township, Abitibi County, Quebec.

The company is reported to have in the neighborhood of $20,000 in the treasury. Mr. Simpson stated that it will be a month or six weeks before the drilling can start because of the difficulty in getting equipment into the property. Operations at this property were recently suspended due to erratic mineral conditions. Results of underground work had not been favorable. The shaft is down to 225 ft. and from this level nearly 1,000 ft. of lateral work done.

Bob Tough Claim New Vein Struck at Depth of 50 Ft.

Bob Tough Gold Mine which is developing 21 claims in McKinnon Township, Sudbury, reports that all preliminary work, such as stripping, trenching, diamond drilling, etc., has now been completed and the three-compartment shaft at D location was below 50 ft. on December 8. The steam plant with a capacity for 1,000 ft. depth is in operation, the shaft head has been completed and all equipment is working satisfactorily. The main vein is to be intercepted at the 145 ft. level but an extra vein was cut into at the 50-ft. depth of the shaft at B location, showing assays, according to official reports, of $11.90 and $18.25 per ton, with gold at $35. Twenty-three men are employed on the property and the company expects to have a mill in operation by spring.

SUDBURY CONTACT FORMS SUBSIDIARY FOR MAYRAND

Believe Average Value Can Only be Found by Underground Work

The announcement that a subsidiary company, to be known as Lapa Cadillac Gold Mines, has been formed by Sudbury Contact Mines, is contained in a progress report issued by H. F. Denny, president of this company. The new company will have a capitalization of $3,000,000 and will take over the Mayrand group from Sudbury Contact.

During the summer a total of 2,503 ft. of diamond drilling was done on the Mayrand group distributed among six holes.

The report gives in some detail the results of diamond drilling in the various holes. These in the main were low and somewhat erratic but sufficed, Mr. Denny believes, to show that the dome carries gold 400 ft. away to the west. Only by underground development can the average value of the property be determined, Mr. Denny believes.

Some of the favorable features which in the president's opinion warrant further development are (a) great width of ore body (b) favorable mineralization (c) definite indication of auriferous territory (d) association of intrusives within a large area (e) proximity to development and producing mines (f) accessibility to transport, power, labor and supplies (h) high grade ore with visible gold in one section.

Power Available

Mr. Denny points out that the power line from the Northern Quebec Power Company passes through the property and power is available whenever required. The main road to Cadillac from Amos passes right through the Mayrand property.

It is the directors' intention now to sink a vertical shaft immediately over the high grade section which was cut in bore hole No. 4 and it is estimated that this will be intercepted at a depth of about 150 ft.

"We think it reasonably certain that a body of commercial ore such as that indicated by the drill results will be encountered in this shaft," Mr. Denny states. "Driftings on the extension east and west will follow promptly when the further policy will be decided upon."

In concluding Mr. Denny states that the company does not for one moment claim that any average value has been established. In this regard he says, "There is a big massive body of low grade material represented by the main quartz face, and there is a high grade section overlying this at one point proved in No. 4 bore hole. The diamond drill work has established for us a position where we can proceed with the assurance that we shall find some high grade ore and considerable masses of low grade. The value of these bodies can be proved definitely by underground development work and by no other method. The company's aim is to develop a profitable mine and in this proposal there is, in our opinion, every legitimate basis for proceeding toward that objective."

Sudbury Contact Mine has an authorized capitalization of $2,000,000 in $1 par value shares of which $1,500,000 have been issued. As at December 31, 1933, cash and call loans totalled $27,727. Marketable securities amounted to $68,719. Current liabilities were placed at $435.

FUNDS ARRANGED FOR DELTA MINES PRESIDENT CLAIMS

Company to Continue Development Despite Rebuffs

From Our Own Correspondent

SUDBURY.—Delta Mines recently formed to replace what was known as Delta Metals Ltd., has made financial arrangements by which funds will be provided to develop the company's property in Drury township, near the old Worthington mine, according to a statement by C. G. Hyett, president. It is understood T. T. Williams, M.E., has been placed in charge of the contemplated work.

A three-compartment incline shaft to a depth of 500 ft. is planned, Mr. Hyett stated, and levels will be established and opened up at 125-ft. intervals. The necessary mining plant will be purchased and shipped to the property without delay. If theproposed underground development work proves up a commercial ore body, Mr. Hyett says further funds will be forthcoming for installation of a smelter and other plant.

The Delta president states that the ore zone on surface has been traced for a distance of 1,200 ft. and proved to 1,000 ft. by diamond drilling. Width indicated by diamond drilling shows a minimum of 25 ft. of disseminated ore. Samples taken from pit "A," 125 ft. in length by 25 feet wide, ran 2.43 per cent nickel, while sorted ore returned assays of 3.5 to eight per cent in nickel. Samples, it is claimed, also indicate precious metals, but very little copper.

The Delta, it will be remembered, is the property on which assay values reported by the company and by the Ontario Department of Mines and the Ontario Research Department were at considerable variance, the provincial chemists being unable to verify the claims of Delta as to vanadium and precious metals showings.

Two Brothers Valley Gold Plans Winter of Drilling

Winter drilling operations are being planned at the property of Two Brothers Valley Gold Mines, developing a property in northern and central B.C., according to information forwarded to The Financial Post by E. N. Bell, president of the company. There is already a drill on the property and a crew of men under S. Hancock, engineer in charge of operations. Mr. Hancock has asked for a second drill, which will be shipped in as soon as flying weather permits.

Mr. Bell states that the company has spent about $120,000 to date on the property. Owing to the cold weather some difficulty was experienced in operating the drill with a hemp rope, but it is now planned to operate both drills with a steel wire drilling line.

Wayside Reports Cash of $101,111 Millheads .5 Oz.

From Our Own Correspondent

VANCOUVER — Wayside Consolidated Gold Mines, will hold its annual meeting here December 19. Meanwhile the annual report dealing with the company's affairs up to December 1 has been issued. It is announced that the clean-up at the 40-ton amalgamation mill, placed in operation last month, will take place in a few days and the result will be given out at the meeting. Millheads are running about 0.5 ounce gold per ton, and ore is being taken from the shear zone.

The year's development consisted of 3,750 ft. of drifts and crosscuts, 350 ft. of raise, and 5,000 ft. of diamond drilling. Sinking is under way from the fifth level.

The financial report shows $101,111 cash on hand August 31, 1934, and expenditures of $59,000 for equipment and $98,181 on development account. Officers are; President, Frank Eichelberger; vice-president, Dr. B. D. Gillies; managing director, Purves E. Ritchie; directors, R. H. Tupper, Osmond Ferguson and David Sloan.

ENGINEERS SENT TO CASEY SUMMIT SHAKE-UP LOOMS

May Form New Company as Creditors Staved Off Till April

J. A. Wilson, vice-president of Casey Summit Gold Mines, stated today that two engineers are at present on the property, on behalf of Maple Leaf Mines, to make a report on the advisability of carrying on operations under a reorganized company. Until their report was received, the company would carry on. Mr. Wilson explained. The engineers are V. H. Emery, and Harold Fancy.

Fraser Raney, director of the company, is at present at the property, and is not expected back for some days. Casey Summit, Mr. Wilson told The Financial Post, has outstanding debts of about $80,000. Creditors have given the company until April 30, 1935. Recently, Mr. Wilson stated, a brick valued at $12,000 was shipped to the Ottawa mint. Another brick, with an estimated value of $25,000 is ready to be poured, and is awaiting the arrival of Mr. Raney. In addition, there are about 800 ounces in the circuit, with a value of approximately $25,000, Mr. Wilson stated.

While definite action in regard to reorganization is dependent on the report of the two engineers, tentative plans call for the formation of a company to be known as the Cassummit Gold Mines, with an authorized capitalization of $3,000,000 in $1 par value shares.

One New For Two Old

Shareholders in Casey Summit would receive one new share for every two held. Mr. Wilson stated that the treasury stock in Casey Summit was nearly depleted, and if the reorganization plans go through, there will be about 500,000 shares of new stock to call upon, after Casey Summit shareholders have received their shares. He intimated that a new issue would be floated.

Speaking of conditions at the mine, Mr. Wilson said the company has experienced amalgamation difficulty, which had largely been responsible for the financial straits in which the company found itself. He expressed confidence that, with the extension of time granted by creditors, and with the treasury repleted by the reorganization, the company could meet its obligations by April 30.

The reorganization plans were approved recently by an order given by Mr. Justice Hope, in weekly Court at Osgoode Hall, Toronto.

OCT. GOLD OUTPUT TOTALS 265,076 OZS.

Ten Months Production 5,290 Ounces Lower Than in 1933

Canada's gold production in October recorded a new monthly high for 1934, the Dominion Bureau of Statistics reports, amounting to 265,076 ounces as compared with 244,180 ounces in the preceding month. In August, the previous record month for the year, output was 264,870 ounces. Valued at the average price of gold, in Canadian funds, of $34.27 per ounce, the October output was worth $9,084,155. During the ten months ended October 31, a total of 2,453,452 ounces of gold were produced in Canada as compared with 2,458,742 ounces a year ago.

Production from Ontario sources totalled 178,596 ounces as against 164,944 ounces in September. An advance of 10.9 per cent was recorded in Quebec's output and British Columbia production rose from 27,005 ounces in September to 28,540 ounces. Manitoba and Saskatchewan's production increased 4.5 per cent. Yukon's production of alluvial gold was 31.2 per cent higher. Nova Scotia mines shipped 402 ounces to the Mint as against 373 ounces in the previous month.

World production of gold in October, according to an estimate by the American Bureau of Statistics, totalled 2,313,000 ounces. Output in the Transvaal was recorded at 886,000 ounces, an increase of 3.4 per cent over the previous month's total. In the United States output increased four per cent, totalling 295,675 ounces.

Howe Sound Declares Quarterly Dividend

Howe Sound Co. has announced the declaration of its regular quarterly dividend of 75 cents per share for the last three months of the year, payable Dec. 31 to shareholders of record Dec. 21. This brings dividend disbursements for the current year to $3 per share as compared with $1.30 per share in 1933.

The increase in dividends over last year reflects the improvement in the company's earning position. The higher price of gold and the rise in the price of silver have enabled the company to increase profits materially. In 1933 the company earned a net profit equivalent to $1.74 per share while in the nine months ended Sept. 30, 1934, earnings amounted to $3.08 per share.

MINING CASTINGS

Ball and Rod Mill Liners Jaw plates, Concaves, Mantles and other Wearing parts. Dependable Manganese Steel Castings.

MONTREAL
1405 Peel Street
TORONTO
170 Bay Street
SWASTIKA, ONT.
P. O. BOX 20

Sorel Steel
FOUNDRIES LIMITED
SOREL QUEBEC

Exchange Stabilization Urged By J. L. Ralston

Need for U. S. Statement on Revaluation Stressed — Lower Tariff Lead Needed by America

A strong plea for exchange stabilization, lower tariffs and the active participation of business men in public affairs, was made by the Hon. J. L. Ralston before the Association of Life Insurance Presidents in New York last week. Col. Ralston was the official Canadian delegate to the convention.

"I suggest that one of the outstanding factors in world affairs which is holding back world recovery is the want of some stable relation between the gold countries of Europe and practically all the rest of the outside world," he said. "I want to submit that if governments can, with reasonable promptness, take care of stabilization, the price level will likely take care of itself.

Stagnant Money

"Due to Great Britain and the United States going off gold, the gold countries, compelled as they are to continue deflation, are carrying great burdens. They cannot find outside buyers for their goods and their foreign debtors find difficulty in paying them. But, more than that, their people are investing in gold, and holding it against future uncertainties of their own currency as well as against possible further revaluation on this side, and a consequent profit on their hoardings. This money is stagnant and adds to the difficulties of government and commercial finance.

"The point where normal business will be likely to resume is when the prices on the way down, in the gold countries, meet prices on the way up in the non-gold countries. How that common level can be reached is the question. No one can be dogmatic, but I believe the general body of opinion considers that the chances of any substantial further increase in the value of gold in this country are remote.

Revaluation Statement Needed

"Walter Lippmann has recently been urging that the future attitude of this country be put beyond the realm of speculation by a timely declaration that a further revaluation of gold will not be made. Unquestionably that would be the greatest single factor in coaxing out hoarded gold in European countries, and putting its purchasing power to work and it would seem to be a sine qua non of any exchange understanding with Europe.

"If such an assurance could be given, then to a novice, it seems almost inevitable that, if the monetary obstacles to international trade are to be removed, the gold countries would consider seriously a policy of gold revaluation to something like the $35 basis, and that those who make a virtue of necessity and act quickly, would in the long run be the best off.

French Statement Significant

"Already France has made a statement through her Prime Minister, the significance of which does not seem to have been fully realized; at least this can be said, that there has not been the comment, much less the action, which might have been expected as a result of such an important pronouncement.

"The effect of the statement was that, while France intended to maintain the present situation, she might consider revaluation in connection with a plan to definitely stabilize the various exchanges. Such a statement seems to recognize in dignified and restrained language the fact that, instead of the painful processes of further deflation, involving further wage reductions, unemployment and bankruptcy, a change in the value of currency, or putting it another way, the revaluation of gold, would surely be the better alternative. The only condition attached is that it should be part of a plan of general world stabilization."

Plea For Lower Tariffs

In a plea for lower tariff leadership on the part of Canada and the States, Col. Ralston urged that we "stop making economic faces at each other over almost unscaleable tariff walls.

"Isn't it possible that here is an opportunity for these two nations to give leadership to the world, and to show that national personality means just the opposite of national seclusion?" he asked.

"No one plans to abolish tariffs. It is questionable whether there could be any horizontal lowering of customs duties to all countries, but a whole-hearted attack on these refined super-restrictions in the form of quotas, dumping duties and arbitrary valuations would point the way to a destination which lies in the very opposite direction to that toward which we have lately been travelling.

"My respectful suggestion to you is that business men ought to take more responsibility and more active interest in public affairs, first, so that they may be able to have put into practice their views regarding the solution of what are, after all, business problems, and secondly, so that the country may have, much more directly, the benefit of their experience and judgment."

EIGHT MONTH PROFIT AT PIONEER $1,521,180

November Production Valued at $257,000 Gross

From Our Own Correspondent

VANCOUVER. — Production of bullion at the Pioneer mine, Bridge River, for November, had a gross value of $257,000. Expenses were $61,000, leaving a net profit before taxes and depreciation of $195,000 For the first eight months of the fiscal year gross production at Pioneer has been $2,051,500, and net profits $1,521,180.

Income, expenses and profits for the past eight months were as follows:

1934—	Gross Income	Expenses	Profit
April	$251,000	$68,000	$183,000
May	258,000	71,400	189,000
June	259,200	69,100	190,100
July	256,500	67,200	189,300
August	262,300	66,120	196,180
September	252,000	63,000	189,000
October	255,000	64,000	191,000
November	257,000	61,500	195,500

McCrea Given Option by Glick Syndicate

From Our Own Correspondent

SUDBURY.—Revival of interest in gold discoveries of over 10 years ago is seen in the announcement that the Glick Mining Syndicate composed of Sudbury business and professional men, has given to Hon. Charles McCrea, former Ontario Minister of Mines, an option on part of the syndicate's holdings in the Oba district, north of Sudbury, located in an area between the Canadian National and the Algoma Central Railways.

The property optioned consists of 12 of the 25 claims owned by the syndicate in Hawkins and Wells townships.

The first discovery in the district was made in 1923 by George Taylor in Hawkins township. About three miles east of this point a find of visible gold was made on the Culbert location. Test pitting, trenching and stripping revealed some good showings.

At the present time, operations are proceeding on properties adjoining the Glick holdings by an Ottawa group and by the Bankfield Gold Mines, which is developing also in the Little Long Lac district.

Rothenberger Options Property in Red Lake

From Our Own Correspondent

WINNIPEG—Extending his operations into Northwestern Ontario, M. Rothenberger, New York, optioned this week a group of 22 claims toward the west end of Red Lake and adjoining the Rowan-Hall property now under option to Hollinger interests.

A fair amount of surface exploration work has been done on the property under the direction of Jack Mitchell, owner of the claims. Mitchell is one of the Red Lake pioneers and has wide interests scattered over the northern mining area. Dr. W. C. L. Greer, geologist, who for some months has been directing work on the Ranger group of claims in the Rice Lake area, also financed by the Rothenberger interests, will fly into Red Lake accompanied by Mr. Mitchell and make plans for immediate surface exploration.

Medicine Rock Financing With Objective Revival

D. P. Jeffrey, president of Medicine Rock Gold Mines, in a letter to shareholders, reports that Z. A. Lambert Securities Corporation of Montreal have underwritten and optioned a total of 1,000,000 shares of the company's capital stock to net the treasury of the company $150,000.